

American Airlines



TENTATIVE AGREEMENT

between

AMERICAN AIRLINES

and

TWU/IAM AIRLINE MECHANIC & RELATED EMPLOYEE ASSOCIATION

covering

MAINTENANCE TRAINING SPECIALISTS

of

AMERICAN AIRLINES, INC.

Effective date – XX



THE TWU-IAM ASSOCIATION

The Association.



THE TWU-IAM ASSOCIATION

March 2020

Sisters and Brothers,

This package contains the tentative agreements submitted to you for your ratification vote. As you know very well, the process of negotiating this agreement has been a long and tough fight. Two proud unions came together to form an Association that married our strength and solidarity to deal with the world's largest airline. The end result proves that the effort has been well worth your support.

The agreements to be voted on are the best in the industry. We reached parity and improvements on important benefits like sick-time, vacation and holidays. Retirement accruals will be second to none for our classifications and we preserved the pre-merger healthcare benefits as they applied to each pre-merger group.

Seniority applications have been merged into a single system that protects your seniority in the classification of your work and, for the first time, allows you to have seniority rights across the entire new American Airlines system. Your jobs are protected on the system and at your station and, more importantly, the work you do is protected in a way that ensures good union jobs will exist at American Airlines for generations to come.

Pay rates, overtime, holiday pay and profit sharing, taken all together, will lead the industry by any measure. Significantly, the formulas for that compensation are locked-in with iron clad language in these agreements.

We urge you to review this material, visit the Association website at twu-iam.org and the TWU and IAM websites to see the highlights, and make an educated vote – a vote that will guarantee an improved future for you and your family for a long time to come. Your negotiators are proud of these tentative agreements and so are we. Everyone involved in negotiating these contracts recommend a YES vote and encourage you to do your part by voting in the ratification.

Specific details of voting locations, the date of the vote and times are available from your local representatives, on the Association website and on the TWU and IAM websites.

Handwritten signature of Sito Pantoja in black ink.

Sito Pantoja
Director, TWU-IAM Association
General Vice President
International Association of Machinists
and Aerospace Workers

Handwritten signature of Alex Garcia in black ink.

Alex Garcia
Vice Director, TWU-IAM Association
International Executive Vice President
Transport Workers Union of America

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PREAMBLE

1 This Agreement is made and entered into this **[INSERT DATE]**, in accordance with the
2 provisions of Title II of the Railway Labor Act, as amended, by and between American
3 Airlines, Inc., ("American" or the "Company"), and the Transport Workers Union of
4 America AFL-CIO and the International Association of Machinists and Aerospace
5 Workers AFL-CIO, certified by NMB case #R-7422 as the TWU/IAM Mechanic
6 Association, ("Association" or "Union").

ARTICLE 1 - PURPOSE OF AGREEMENT

- 1 A. The purpose of this Agreement is, in the mutual interest of the Company and the
2 employees, to provide for operation of the services of the Company under methods,
3 which will further, to the fullest extent possible, the safety of air transportation, the
4 efficiency and economy of operations, and to provide orderly collective bargaining
5 relations between the Company and its employees, a method for the prompt and
6 equitable disposition of grievances, and for the establishment of fair wages, hours and
7 working conditions for the employees covered hereunder. In making this Agreement,
8 both the Company and the employees hereunder recognize their duty to comply with
9 the terms hereof and to cooperate fully, both individually and collectively, for the
10 accomplishment of the intent and purpose of this Agreement. To further these
11 purposes, the Company or an International Representative of the Union may request
12 a conference at any time to discuss and deal with any general condition that may arise
13 under the application of this Agreement.
14
- 15 B. No employee covered by this Agreement will be interfered with, restrained, coerced,
16 or discriminated against by the Company, its officers or agents, because of
17 membership in or lawful activity on behalf of the Union.
18
- 19 C. It is understood wherever in this Agreement employees are referred to in the
20 masculine gender, it shall be recognized as referring to both male and female
21 employees.
22
- 23 D. There shall be no discrimination between employees covered by this Agreement
24 because of race, creed, color, national origin, or gender.
25
- 26 E. Should any part or provision of this Agreement be rendered invalid by reason of any
27 existing or subsequently enacted legislation, such invalidation of any part or provision
28 of this Agreement shall not invalidate the remaining portions thereof, and they shall
29 remain in full force and effect.
30
- 31 F. The Company and the Union agree to comply fully with all applicable Federal and
32 State statutes and regulations prohibiting discrimination with respect to all aspects of
33 employment with the Company. Further, the Company and Union agree that neither
34 shall discriminate against employees covered by this Agreement on the basis of race,
35 color, religion, sex, national origin, age, sexual orientation, disability, membership in
36 a uniformed service, or status as a disabled veteran.

ARTICLE 2 - STATUS OF AGREEMENT

- 1 A. It is expressly understood and agreed that when this Agreement is accepted by
2 the parties and signed by their authorized representatives, it will supersede any
3 and all agreements existing or previously executed between US Airways, Inc. or
4 American Airlines, Inc. (the "Company") and any Union or individual affecting the
5 crafts or classes of employees covered by this Agreement.
6
- 7 B. It is understood and agreed that this Agreement will be binding upon any
8 successors to the present Corporation insofar as it is legally possible. In the event
9 this is not legally possible, the Company and the Union will meet prior to any
10 change and negotiate all possible protection for the employees.
11
- 12 C. The Agreement shall be binding upon the Company and any Successor, defined
13 as a purchaser, assignee or transferee of all or substantially all of the assets or
14 stock of the Company or American Airlines Group Inc., whether in a single
15 transaction or multi-step transaction. Neither the Company nor American Airlines
16 Group Inc. shall enter into an agreement with a Successor which creates a
17 Successor transaction unless the Successor agrees, in writing, as a prior
18 irrevocable condition of the Successorship transaction, that the Successor, the
19 Company and American Airlines Group Inc., and any operating airline which
20 obtains the assets of the Company will: (1) recognize and treat with the Association
21 as the representative of the crafts or classes of employees covered by this
22 Agreement consistent with the Railway Labor Act; (2) be bound by the Agreement,
23 as it may be amended pursuant to the provisions of applicable law; and (3) to
24 employ employees on the system seniority list in accordance with the provisions
25 of this Agreement.
26
- 27 D. If a successor is an air carrier, and the Successor conducts an operational merger
28 between the Company and the Successor or another air carrier, then the
29 Successor will provide the Company employees covered by this Agreement with a
30 seniority integration in accordance with the McCaskill-Bond Amendment, Pub. L.
31 110-161, Div. K, Title I, § 117, Dec. 26, 2007, 121 Stat. 2383, codified at § 42112,
32 note.

ARTICLE 3 – EFFECTIVE DATE AND DURATION

1 A. Effective Date

2 B.

3 The provisions of this Agreement will become effective on **[INSERT DOR]** (the
4 “Effective Date”) except as otherwise specifically stated in this Agreement.

5
6 C. Amendable Date

7 D.

8 This Agreement will continue in full force and effect through and including **[INSERT**
9 **DOR + 5 YEARS]** and will thereafter renew itself without change each succeeding
10 **[INSERT ANNIVERSARY OF DOR]**, unless written notice of intended change is
11 served in accordance with Section 6, Title I, of the Railway Labor Act, as amended
12 (the “Act”) by either party at least (6) months prior to **[DOR+5 years]** or on any
13 **[ANNIVERSARY OF DOR]** thereafter.

14

15 E. Complete Agreement

16 F.

17 The parties agree this is the complete Agreement negotiated between American
18 Airlines and the TWU-IAM (M&R, MLS, MTS, MCT, & Fleet) Association. No
19 amendments to this Agreement will be valid unless signed by the Vice President
20 of Labor Relations (or his/her designee) and the Director of the Association (or
21 his/her designee). Letters of Agreement (LOA), Letters of Understanding (LOU)
22 and Memoranda of Understanding (MOU) that have not specifically been agreed
23 to in the negotiation of this Agreement shall become null, void and not
24 enforceable as of the effective date of this Agreement.

ARTICLE 4 - EFFECT ON PRIOR AGREEMENTS

- 1 A. This Agreement will supersede and take precedence over prior Agreements, Letters,
- 2 local side agreements, practices, and exceptions whether written or unwritten and
- 3 similarly related documents executed between the Company and the Association prior
- 4 to the signing of this Agreement.

ARTICLE 5 - TRANSPORTATION

- 1 A. Employees covered by this Agreement and their immediate families will be granted
- 2 the same transportation privileges on the Company's system as may be established by
- 3 Company regulations for all personnel.
- 4
- 5 B. Union business travel will be provided pursuant to Company policy.

ARTICLE 6 – RECOGNITION AND SCOPE

1 A. Pursuant to the National Mediation Board’s certification in NMB Case No. R- 7422
2 (May 19, 2015), the Company recognizes the Airline Mechanic and Related
3 Employees Association TWU/IAM (“TWU/IAM Mechanics Association” or the
4 “Union” or the “Association”) as the exclusive and sole collective bargaining agent
5 with respect to rates of pay, rules, and working conditions for all employees of
6 American Airlines, Inc. within the United States or its territories and possessions,
7 covered under this Agreement as set forth in this Article, and as described in the
8 classification descriptions in Article 7.

9
10 B. The technical instruction of Mechanical and Related personnel assigned to inspect,
11 maintain, overhaul or service Company operated aircraft, components and
12 maintenance equipment where performed directly by the Company, is recognized
13 as coming within the scope of work of the TWU/IAM Mechanics Association and
14 will be performed by Maintenance Training Specialists. For the purposes of this
15 Agreement, technical instruction of Mechanical and Related Personnel is
16 considered to be work involved with the delivery of training covering the repair,
17 maintenance and operation of aircraft systems and components.

18
19 Notwithstanding the above, it is recognized that:

- 20
21 1. Training involving Cleaners, MOC, Ground Communications, Stores, Shops,
22 Ground Equipment/Facilities, Planners, Technical Documentation Specialists,
23 Quality Assurance Auditors and Inspectors is not exclusive to employees
24 covered by this Agreement.
25
26 2. Training historically performed by employees covered by this Agreement
27 including but not limited to, towing, brake riding, taxi and run-up, fueling, on-
28 call maintenance, APU, GPU, air-start and non-technical maintenance
29 training including but not limited to, receipt and dispatch, door operation,
30 safety, administrative, computer operation, aircraft servicing, de-icing and
31 developmental training is not exclusive to employees covered by this
32 Agreement.
33
34 3. The Company may utilize vendors in the development and/or delivery of
35 technical Mechanical and Related training, provided such utilization does not
36 directly result in the reduction/layoff of employees covered by this Agreement.
37
38 4. Employees not covered by this Agreement may assist Maintenance Training
39 Specialists in the development of training curricula when such work is being
40 performed by the Company.
41
42 5. Maintenance Training Specialists may be assigned by the Company to duties
43 related to training other Company employees, third party training, technical
44 assistance to other departments and/or vendors, and any other general
45 administrative work.
46

ARTICLE 6 – RECOGNITION AND SCOPE

1 6. It will not be considered a violation of this Agreement for Mechanical and
2 Related employees to conduct OJT under provisions of the Mechanical and
3 Related Personnel Agreement.
4

5 C. In the performance of their duties, employees covered by this Agreement shall be
6 governed by Company rules, regulations and orders issued by properly designated
7 authorities of the Company, providing such rules, regulations and orders are not in
8 conflict with the terms and conditions embodied in this Agreement.
9

10 D. Supervisory personnel will perform no work that is covered by this Agreement, except
11 in an emergency and for the purposes of instructing the Maintenance Training
12 Specialists.
13

14 E. The right to hire, promote, discharge or discipline for cause, and to maintain discipline
15 and efficiency of employees is the sole responsibility of the Company. In addition, the
16 equipment to be used and the location of facilities and offices, training course
17 standards, methods of instruction and scheduling of training classes are the sole and
18 exclusive function and responsibility of the Company unless otherwise specified in this
19 Agreement.
20

21 Job Protection
22

23 F. System Job Protection
24

25 1. For the life of this Agreement, no active employee or employee on a Company
26 approved leave of absence who is covered by this Agreement and whose name
27 appears on the Association master seniority list(s) on the date of ratification of this
28 Agreement will be laid off to the street provided the employee exercises his
29 seniority to the fullest extent in accordance with Article 12.
30

31 2. System job protection shall not apply in circumstances where the Company's non-
32 compliance is caused in substantial part by conditions beyond the Company's
33 control. Conditions beyond the Company's control shall include, but not be limited
34 to: (1) an act of God; (2) a strike by any other Company employee group or the
35 employees of a commuter air carrier operating pursuant to an authorized
36 codeshare arrangement with the Company; (3) a national emergency; (4)
37 involuntary revocation of the Company's operating certificate(s); (5) grounding of
38 a substantial number of the Company's aircraft; (6) a reduction in the Company's
39 operation resulting from a decrease in available fuel supply caused by either
40 governmental action or by commercial suppliers being unable to meet the
41 Company's demands; and (7) the unavailability of aircraft scheduled for delivery.
42 Item number seven is only triggered if the unavailability of aircraft scheduled for
43 delivery adversely impacts the operation such that the Company is required to
44 reduce flying, necessitating a reduction in force. The duration of any reduction in
45 flying will be a consideration before a reduction in force because of item number
46 seven.

ARTICLE 6 – RECOGNITION AND SCOPE

1
2 **G. Station Job Protection**
3

- 4 1. For the life of this Agreement, the Company will provide station job protection to
5 all employees covered by this Agreement whose name appears on the
6 Association master seniority list(s) and who are active or on a Company
7 approved leave of absence as of the date of ratification of this Agreement.
8 Station job protection will apply only to the station and basic classification that
9 the employee holds on the date of ratification of the Agreement.
10
11 2. Station job protection will not apply in the event that all scheduled American
12 Airlines, Inc. flight operations cease at a station. Station job protection shall also
13 not apply in circumstances where the Company’s non-compliance is caused in
14 substantial part by conditions beyond the Company’s control as set forth above
15 in Section F.2.
16

17 **Station Closing Due to Ceasing All Flight Operations**
18

- 19 H. If a station is closed due to cessation of all flight operations that is not due to
20 circumstances beyond the Company’s control as defined in Paragraph F (2) above,
21 and during the one-year period thereafter, the Company re-commences flight
22 operations it shall re-staff such station with employees covered by this Agreement,
23 and the following process will apply. Employees who had station protection at that
24 station at the time of closing shall be offered on a one-time basis, the first opportunity
25 to fill covered positions in classification seniority order. If an employee offered such a
26 position accepts and is returned to work at that station during the one-year period,
27 such employee shall have his original station protection reinstated. If an employee
28 offered such a position declines, such employee will remain in the status and location
29 the employee occupies at that time and any future openings at the station will be filled
30 using the Recall and Filling of Vacancies articles in this Agreement (Articles 12 and
31 9). If a station is re-opened more than one year after cessation of operations, all
32 positions at such station will be filled using the Recall and Filling of Vacancies articles
33 in this Agreement (Articles 12 and 9).
34

35 **Station Closing or Reduction in Manpower Due to Circumstances Beyond Company**
36 **Control**
37

- 38 I. If, due to conditions beyond the Company’s control as defined in Paragraph F (2)
39 above, a station is closed or employees covered by this Agreement at the station are
40 reduced and, during the life of this Agreement, such station is subsequently re-opened
41 or manpower at such station is increased employees covered by this Agreement shall
42 be recalled and the following process will apply. Employees who had station
43 protection at that station at the time of closing or reduction shall be offered on a one-
44 time basis, the first opportunity to fill covered positions in classification seniority order.
45 If an employee offered such a position accepts and is returned to work at that station
46 during the duration of this Agreement, such employee shall have his original station

ARTICLE 6 – RECOGNITION AND SCOPE

1 protection reinstated. If an employee offered such a position declines, such employee
2 will remain in the status and location the employee occupies at that time and any future
3 openings at such station will be filled using the Recall and Filling of Vacancies articles
4 in this Agreement (Articles 12 and 9).

Parallel Operations

- 5
6
7
8
9 J. If the Company establishes any new airline or acquires a controlling interest in any
10 carrier, which operates jet aircraft, and mainline pilots on the American Airlines, Inc.
11 pilot seniority list perform revenue flying utilizing such aircraft, then all covered MTS
12 work on such aircraft shall be performed by employees covered by this Agreement in
13 accordance with the provisions of this Article.
14
15 K. If the Company allows its code to be placed on any flight and the flight utilizes jet
16 aircraft and mainline pilots on the American Airlines, Inc. pilot seniority list perform
17 revenue flying utilizing such aircraft, then all covered MTS work on such aircraft shall
18 be performed by employees covered by this Agreement in accordance with the
19 provisions of this Article.

ARTICLE 7 – CLASSIFICATIONS

1 A. Maintenance Training Specialist (MTS)
2

3 The work of a Maintenance Training Specialist shall consist of work generally
4 recognized as Maintenance Technical Training Work as outlined in Article 6
5 (Recognition and Scope) of this agreement and may include but is not limited to the
6 following:
7

- 8 1. Conducting, designing, developing and revising of technical training courses,
9 presentations, and material (both paper manuals and electronic presentations, e.g.
10 Power Point). The development of oral, written and practical examinations, as well
11 as the administration of these tests and examinations.
12
- 13 2. Training other Specialists.
14
- 15 3. Maintaining and completing any forms and or data entry used in the training
16 functions including but not limited to: rosters, attendance forms, student
17 evaluations and any proficiency records.
18
- 19 4. Providing technical assistance to other groups, as required, in an advisory capacity
20 regarding aircraft maintenance and operational problems, new procedures and
21 procedural changes.
22
- 23 5. Assisting vendors in the design and development of technical training courses or
24 equipment.
25
- 26 6. Any other maintenance training work assigned by the Company.
27
28

ARTICLE 8 – QUALIFICATIONS

- 1 A. The minimum qualifications which may be used in the filling of vacancies within bid
2 areas are as follows:
3
- 4 1. Boeing Bid Area: valid A and P License, three (3) years' experience performing
5 aircraft maintenance on commercial aircraft or the military equivalent.
6
 - 7 2. Airbus Bid Area: valid A and P License, three (3) years' experience performing
8 aircraft maintenance on commercial aircraft or the military equivalent.
9
 - 10 3. General Bid Area: valid A and P License, three (3) years' experience performing
11 aircraft maintenance on commercial aircraft or the military equivalent.
12
- 13 B. Training that is common to multiple types of aircraft may be assigned to any bid area.
14 (i.e. winterization, taxi and run up, etc.)
15
- 16 C. The Company agrees to have the minimum bid areas as described in paragraph (A)
17 above within the Maintenance Training System. The company has the right to
18 establish and/or delete additional bid areas based on needs of service provided the
19 company maintains the bid areas described in paragraph A. above within the system.
20 It is understood that each location is not required to have and/or maintain each of
21 these bid areas.
22
- 23 D. When the Company determines, based on the needs of service, that a reduction of
24 employees in a bid area at the location is needed and there is an equal number of
25 positions required in another bid area at that location, the Company may reallocate
26 the manpower utilizing a local realignment. In the event of a local realignment
27 volunteers in the bid area with the overage will be moved in seniority order to the open
28 positions. In the event there are insufficient volunteers, junior employees in the bid
29 area with the overage will be moved.
30
- 31 E. Locations with five (5) or fewer Maintenance Training Specialists may be considered a
32 single bid area and be assigned any maintenance training duties in their location. For
33 the purpose of overtime or travel outside the station these Maintenance Training
34 Specialists will be assigned an existing bid area described in this Article.
35
- 36 At Locations with more than five (5) Maintenance Training Specialists, the company will
37 make every effort to assign specialist work that falls within their bid area. However, the
38 company reserves the right to assign Specialists other work for which they are qualified
39 based on the needs of service.
40

ARTICLE 9 – FILLING OF VACANCIES

1
2
3 Maintenance Training Special (MTS) Positions:
4

5 A. Candidates for MTS positions who do not hold MTS seniority will be required to meet
6 the Qualifications listed in Article 8 (Qualifications).
7

8 B. Employees who do not hold MTS seniority at the time of a vacancy, who meet the
9 qualifications in Article 8 (Qualifications), shall advance to an interview by a panel
10 interview committee that will be comprised of an equal number of members selected
11 by the Association and the Company. The Association shall establish and maintain a
12 list of members for each Company designated location to serve on the panel interview
13 committee for each position sufficient to ensure that there are no delays in the panel
14 interview process. The Company and Union will mutually agree to establish a standard
15 minimum passing score which will be applied to all candidates seeking the position.
16 Each member of the committee will score the candidate’s interview results on a
17 numerical scale. Each committee member’s score will be totaled and averaged to
18 establish the candidate’s total score. Panel interview scores will remain valid for one
19 (1) year. The senior candidate, utilizing basic classification seniority who meets the
20 minimum passing score from the panel interview will be selected by the Company.
21

22 C. Where there are ten (10) or more qualified candidates, who do not hold MTS seniority,
23 the Company may limit the interviews to the ten (10) most senior candidates, utilizing
24 basic classification seniority in the following order:
25

26 1. Those employees bidding the position from the Mechanic and Related or
27 Maintenance Control Technician Collective Bargaining Agreement who meet the
28 qualifications.
29

30 2. Those employees bidding the position from any other Association Collective
31 Bargaining Agreement who meet the qualifications.
32

33 3. Those employees bidding the position from the Mechanic and Related or
34 Maintenance Control Technician collective bargaining agreement who meet the
35 A&P license requirement, but not the three (3) year experience qualification.
36

37 4. Those employees bidding the position from any Association Collective Bargaining
38 Agreement who meet A&P license requirement, but not the three (3) year
39 experience qualification.
40

41 5. Any other employee or new hire.
42

43 D. Employees who transfer to a new bid area on a local or system bid will have a trial
44 period of sixty (60) active workdays, excluding all classroom training required for their
45 position, in order to demonstrate their ability to perform the required work. Employees
46 first awarded a MTS position as well as employees who have completed a voluntary

ARTICLE 9 – FILLING OF VACANCIES

1 “bid area to bid area” transfer will be subject to a twenty four (24) month stability period
2 with the following exceptions:

- 3 1. Employees in a stability period are not precluded from bidding on MTS positions
4 which did not exist before in a new bid area, shift, in a station or location.
5
- 6 2. Employees who are bumped or displaced will not be subject to a stability period
7 upon exercising seniority or being furloughed.
8

9 E. All employees awarded a MTS position will have their performance evaluated prior to
10 the last day of their trial period. Employees failing to demonstrate the adequate skills
11 during trial period will be returned to their former-bid area and shift. Employees failing
12 to pass his trial period will not be permitted to bid another position for a period of six
13 (6) months from the date of their return.
14

15 Filling Maintenance Training Specialist (MTS) vacancies:

16
17 F. MTS vacancies shall be awarded in the following order.

- 18
19 1. The senior employee who files a request for a local “bid area to bid area” transfer
20 to another Maintenance Training Specialist bid area and is working as a MTS,
21 which will also automatically include any MTS, who have this location designated
22 as their recall location if on furlough status (Article 12 Recall paragraph (C)(2).
23 Management is not obligated to fill, by “bid area to bid area” transfer, any vacancy
24 resulting from a “bid area to bid area” transfer.
25

26 Each location will maintain a local bid area preference file. Employees desiring a
27 change to a different bid area within the location must have a bid on file prior to the
28 time of the award. Vacancies, which the company decides to fill, will first be filled
29 by utilizing the local bid preference file. Vacancies not filled by the local bid
30 preference process and new bid area vacancies will be filled as described in
31 paragraph (2) below. Employees will be required to accept a bid that is awarded.
32

- 33 2. The senior employee who bids the position and is working as a MTS, at another
34 location, and any MTS on furlough who bids the position from any other location.
35
- 36 3. The senior employee who holds MTS seniority, including those in a stability period,
37 bidding the position from any Association Collective Bargaining Agreement.
38
- 39 4. The senior of the MCT, Inspector, AMT Technical Crew Chief, AMT Crew Chief or
40 AMT bidding the position that meets the qualifications and is successful in the
41 interview process above. The earliest basic classification seniority date among
42 those above will be used to determine who is senior for the purpose of awarding
43 the position.
44
- 45 5. The senior employee, other than those identified in paragraph (4) above bidding
46 the position from any Association Collective Bargaining Agreement who meets the

ARTICLE 9 – FILLING OF VACANCIES

1 qualifications and is successful in the interview process above. The earliest
2 Association classification seniority date will be used to determine who is senior for
3 the purpose of awarding the position.
4

5 6. The senior employee, bidding the position from the Mechanic and Related or MCT
6 Collective Bargaining Agreements who meets the A&P license requirement, but
7 not the three (3) year experience qualification, but is successful in the interview
8 process above. Basic seniority will be used to determine who is senior for the
9 purpose of awarding the position.

10
11 7. The senior employee, bidding the position from any Association Collective
12 Bargaining Agreement who meets the A&P license requirement, but not the three
13 (3) year experience qualification, but is successful in the interview process above.
14 The earliest Association classification seniority date will be used to determine who
15 is senior for the purpose of awarding the position.
16

17 8. Any other employee or new hire.

18
19 G. Employees awarded a system bid, may be scheduled to report for work at the new
20 location no earlier than five (5) days, but no later than fourteen (14) days after
21 notification of the award as determined by the Company. Reasonable time off, up to
22 three (3) work days for relocation purposes may be requested by the employee and
23 will be granted where appropriate as unpaid, however the employee may use accrued
24 COMP or DAT days in lieu of being unpaid. Employees relocating under these
25 provisions are responsible for all of their relocation expenses.
26

27 H. If a Mechanic and Related employee is hired as a MTS, such employee will be placed
28 on the pay step of the MTS pay scale closest to, but not lower than their existing base
29 rate of pay. In no event, will his hourly rate exceed the maximum rate for the
30 classification to which he transferred. This provision only applies to pay and not
31 classification seniority as a MTS.
32

33 I. Bid Process:

34
35 The process for identifying and awarding vacancies will be conducted on a weekly
36 cycle as follows for all applicable classifications:
37

38 1. On Saturday of each week at 00:01 CST, the Company will post an online
39 notification list of the stations/locations/shops declaring vacancies for that week.
40

41 a. The list will include the actual number of declared vacancies.

42
43 b. The transfer list standing will be dynamic during the week and will be shown
44 via the online tool in seniority order.
45

ARTICLE 9 – FILLING OF VACANCIES

1 2. The transfer list for those listed vacancies will be closed on the following Tuesday
2 at 23:59 CST and a snapshot of the list will be taken at that time.

3
4 3. The employee may add or remove his standing transfer request or change the
5 order of preference anytime during the above timeframe (Sat. 00:01 CST to
6 Tuesday 23:59 CST).

7
8 All necessary paperwork (e.g. Work Experience Review form and supporting
9 documents) will be required to be complete online prior to the vacancy being
10 awarded;

11
12 a. Employees will have seven (7) days after the posting closes (Thursday at
13 23:59 CST) to provide the necessary paperwork. Note: Employees do not
14 have to wait until the posting closes; they may send the documents at the
15 time that they add their name to the transfer list.

16
17 b. Employees without paperwork will not be considered qualified, and will not be
18 awarded a vacancy.

19
20 c. Employees with incomplete paperwork, or who do not meet the experience
21 requirements, as determined by the WER Panel, will not be considered
22 qualified, and will not be awarded the vacancy.

23
24 4. Any employee whose name appears on the list after Tuesday at 23:59 CST may
25 refuse the transfer by removing his name from the list by Thursday at 23:59 CST.
26 If the employee does not remove his name from the list during this forty-eight (48)
27 hour period, and is awarded a vacancy, he will be considered to have accepted
28 the position.

29
30 5. The employee will be notified during JetNet sign-in of the final award.

31 a. Employees will also be sent an email notification to their aa.com email
32 address.

33
34 b. Once the final award has been posted and employee notified via JetNet, the
35 Company cannot subsequently rescind the award.

36
37 c. The employee must report to the station awarded on the specified date unless
38 mutually agreed to by the Company and the Union.
39
40

ARTICLE 10 – PROBATIONARY PERIOD

- 1 A. New employees shall be regarded as probationary employees for ninety (90) work
2 days of employment, and there shall be no responsibility on the part of the company
3 for the re-employment of probationary employees if they are discharged or laid off
4 during this period. If retained in service after the probation period, the names of such
5 employees shall be placed on the seniority list under the provisions contained in the
6 agreement. The Company will furnish the TWU Local President, IAM General
7 Chairman, and Local Union Representative with the names, classification,
8 department, and rate of pay of all new employees on the first (1st) of each month.
9 During probation, the company will set the employees work schedule. Probationary
10 employees are not eligible for vacation, or sick leave accrual until completion of the
11 probationary period, at which time vacation and sick leave accrual will be retroactive.
12
- 13 B. In the event a probationary employee is granted a leave of absence, upon the
14 employees return to work the probationary period will be extended by the number of
15 work days remaining to complete the probationary period.
16
- 17 C. Probationary employees may be released at the Company's discretion and no
18 probationary employee shall have the right to grieve any such action of the Company.
19
- 20 D. If a probationary employee is released and is rehired within a period not exceeding
21 his previous service, his previous time worked will count towards the completion of his
22 probationary period.

ARTICLE 11 - SENIORITY

1 All references in this Agreement to "Seniority" will mean Classification Seniority
2 (previously known as 'Occupational Seniority' at pre-merger American Airlines), except
3 where specific reference is made to Company or Pay seniority.
4

5 A. Company seniority is defined as continuous service in any department and shall begin
6 with the effective day of placement on payroll. Company seniority shall be applied to:
7 vacation accrual, bidding of vacations periods and service awards. Adjustments to
8 Company Seniority based on past seniority policies and/or collective bargaining
9 agreements will remain in place. After the effective date of this Agreement, there will
10 be no adjustments to Company seniority.
11

12 B. Maintenance Training Specialist classification seniority shall commence with the date
13 the employee enters into the classification. Classification seniority shall govern in the
14 case of displacement, filling bargaining unit vacancies, bidding shifts and days off
15 within the bid area, reductions in force and recalling after a layoff. If two (2) or more
16 employees have the same classification seniority, the employee with the earlier
17 company date of hire seniority shall be senior. If two or more employees have the
18 same classification seniority and company date of hire seniority, the employee with
19 the lowest last four (4) digits of his social security account number shall be senior.
20

21 C. Seniority for pay purposes, Pay Date Seniority, shall commence with the date of entry
22 into the MTS Classification. Seniority for pay purposes shall be adjusted for time lost
23 due to unpaid leaves, as referenced in Article 25 (Leave of Absence).
24

25 D. An employee shall lose all seniority and be removed from the seniority list when:

26
27 1. He quits, resigns or retires.

28
29 2. He is discharged for just cause.

30
31 3. He does not inform the Company of his intent to return to work, or the employee
32 fails to report to work in accordance with Article 12 (Recall).
33

34 4. He fails to return from a leave of absence within the scheduled period.
35

36 5. Otherwise provided for in this Agreement.
37

38 E. Employees who are furloughed shall continue to accrue classification seniority for five
39 (5) years from date of furlough and thereafter shall only maintain their seniority status
40 while on furlough. Employees who refuse recall will have their names removed from
41 the seniority list and shall be deemed to have resigned.
42

43 F. The Company shall post a seniority list by the last day of January of each year and
44 employees or the Association may protest any omission or error affecting any
45 employee's seniority within thirty (30) days of the current posting. Such lists, published
46 by group or classification, will provide, at minimum, the name, employee number,

ARTICLE 11 - SENIORITY

1 classification seniority date, Company seniority date, job classification, and station of
2 each employee, covered under this Agreement. Any employee on leave at the time of
3 posting will have a period of fifteen (15) days from his date of return to service to file
4 a protest.

5 G. An employee having classification seniority who moves to a position in a classification
6 of work in another Association agreement within the Company, will continue to accrue
7 Classification seniority in the classification and group from which he transferred.
8

9 H. Employees covered by this Agreement may be assigned to special projects in the
10 interest of the Company that are outside the normal scope of their duties. Employees
11 assigned to such projects shall continue to be covered by this Agreement during the
12 term of the assignment. The Company shall advise, meet and/or confer with the
13 Association prior to any such assignment of an employee or employees to discuss the
14 nature of the project and any conditions that may be associated with the assignment.
15 Employees on special assignments initiated under the conditions described in this
16 paragraph shall retain and continue to accrue all seniority while on the assignment.
17

18 I. Employees may be assigned on a voluntary basis to supervisory or managerial duties
19 (except the issuance of discipline) that are considered short term in nature. The
20 Company will not create a personnel documentation change for employees assigned
21 under these terms and the employees shall be considered to be part of the bargaining
22 unit during the term of the assignment. Employees assigned under the conditions
23 described in this paragraph shall retain and accrue seniority for a total of sixty (60)
24 work days measured over the duration of their career. Any employee who exceeds
25 sixty (60) work days in any supervisory or managerial assignment described in this
26 paragraph shall lose all seniority under this Collective Bargaining Agreement and any
27 other Association Collective Bargaining Agreement containing these same provisions.
28 The Company shall provide a monthly report to the Association that records all
29 persons assigned under this paragraph and the days of the assignment(s).
30

31 J. Employees who transfer to any position outside of the coverage of any Association
32 Collective Bargaining Agreement, other than those assignments described in
33 paragraphs (H) and (I) above shall continue to retain and accrue seniority for a period
34 not to exceed ninety (90) days measured over the duration of their career. Any such
35 employee who exceeds ninety (90) days, measured over their career, shall lose all
36 seniority under this Collective Bargaining Agreement and any other Association
37 Collective Bargaining Agreement containing these same provisions.
38

ARTICLE 12 - REDUCTION IN FORCE / RECALL / VOLUNTARY FURLOUGH

REDUCTION IN FORCE:

A. In the event of the geographical relocation in whole or in part of any of the work performed by employees covered by this Agreement, the employees affected will be given an opportunity to transfer to the new location. Affected employees transferring to the new location will be provided the American Airlines Level 1-2 employee relocation policy in effect as of DOR. In the event, the Company should enhance the relocation policy during the life of the agreement, such enhancements will apply to employees covered by this agreement. Employees so transferred shall suffer no loss of seniority or pay, nor any reduction in classification or hourly rate.

B. In the event of a reduction in force, classification seniority will govern. Affected employees working a five (5) day workweek will be given ten (10) work days notice and affected employees working a four (4) day workweek will be given eight (8) work days notice before any normal reduction is made and a list of those to be reduced will be furnished to the Designated Local Union Representative, and IAM General Chairman/TWU Local President prior to notifying the employees affected. However, this provision is not applicable where there is temporarily no work because of work stoppage or strikes by employees of the Company. During those circumstances the Company retains the right to reduce the working force at any facility with twenty-four (24) hours notice or eight (8) hours pay.

NOTE: The ten (10) day notice to the employee, described above, shall begin when the employee signs for their abolishment or bump paperwork.

C. Employees laid off in a reduction in force or displaced by senior employees may fill any available vacancy on the system or exercise their seniority as follows:

1. Displace the junior MTS employee at the location, if unable,
2. Displace the junior employee at any location within the MTS classification, or,
3. Displace the junior employee on the system in a classification in which he holds seniority, or,
4. Accept furlough.

D. Such rights must be exercised within three (3) working days after receipt of reduction or displacement notice.

Employees abolished or bumped will be absorbed in their current classification, in their bid area, at their station, on their shift, when the Company determines a position becomes available prior to their last day worked.

ARTICLE 12 - REDUCTION IN FORCE / RECALL / VOLUNTARY FURLOUGH

1 RECALL:
2

- 3 E. Recall following a furlough shall be by Classification. An employee, who accepts
4 furlough, may only have recall to one station at any given time and will have recall to
5 that station for all classifications for which he has seniority.
6
- 7 F. An employee's recall station shall be defined as that station an employee selects from
8 any station from which he was reduced. Employees will not be permitted to change
9 their recall station unless their existing recall station is closed.
10
- 11 G. An employee on furlough status will only be recalled to his recall station, unless he is
12 awarded a bid, via the automated bid / recall system (TBD) for any other vacancy.
13
- 14 H. All employees electing furlough due to a reduction in force will maintain a current
15 address and phone number with the Company. Any change in address and/or phone
16 number must be updated on JetNet or by calling Team Member Services at 1-800-
17 447-2000.
18
- 19 I. In the event the Company no longer staffs employees covered by this Agreement at
20 an employee's recall station, all employees now and hereafter on furlough from such
21 station or who have selected such station as their recall station will be required to
22 select a new recall station, first from any other station from which he was reduced if
23 still active, and, if none, then from any other MTS location. This change of designated
24 recall station must be made in the Company's automated bid / recall system within
25 thirty (30) days of written notice from the Company. Notification to the employee will
26 be by certified or registered United States mail, return receipt requested, or by United
27 Parcel Service or equivalent, confirmation of delivery requested. Failure to comply
28 with the above will result in loss of employee's seniority and employment status.
29 Should the Company resume staffing of employees covered by this Agreement into
30 an inactive station, then the employee, if reduced from that station and still on furlough,
31 can elect through the notification procedures above to designate such station as his
32 recall station.
33
- 34 J. Any furloughed employee accepting recall or bidding a job will return to the step on
35 the pay scale occupied at the time of his furlough.
36
- 37 K. Employees recalled from a furlough to their former classification shall not be paid a
38 lower rate than they were receiving prior to the furlough unless a new contract with a
39 reduction in rates of pay shall at the time of recall be in effect between the Company
40 and the Union.
41
- 42 L. Should an employee who has been recalled or awarded a bid from furlough, be
43 bumped again prior to reporting to work, such employee will be allowed to again
44 exercise his seniority subject to the provisions in this Agreement. Employees in this
45 situation who are allowed to re-exercise their seniority will continue to be considered
46 in an inactive furlough status until they return to work.

ARTICLE 12 - REDUCTION IN FORCE / RECALL / VOLUNTARY FURLOUGH

- 1
2 M. All notices of recall which include instructions and a required report date will be made
3 in writing (telephonic notifications are acceptable if confirmed in writing) by certified or
4 registered United States mail, return receipt requested, or by United Parcel Service
5 or equivalent, confirmation of delivery requested. All employees must, accept or
6 refuse using the on-line tool within fourteen (14) days of the date of the mailing
7 postmark on the recall letter. An employee who has accepted recall must initiate and
8 complete the employee portion of the background and fingerprint process via the on-
9 line tool within seventy-two (72) hours (exclusive of weekends and holidays) of
10 acceptance of the recall. Any additional information requested by the Company must
11 be provided within a reasonable specified time. The Company will furnish the IAM
12 General Chair/TWU Local President or designated Local Union Representative a copy
13 of all recall letters.
14
15 N. Any employee who has been furloughed and is off payroll who fails to notify the
16 Company of acceptance/refusal within the fourteen (14) days, fails to initiate their
17 portion of the background and fingerprint application process within the seventy-two
18 (72) hours (exclusive of weekends and holidays) of acceptance of recall, or who
19 fails to provide any additional information requested within the specified time, or
20 who fails to return to duty on the required report date, will be considered to have
21 refused recall and will be removed from that seniority list.
22
23 O. If the employee requires an extension to any of the above time limits due to
24 extenuating circumstances, it must be requested through the Company at the phone
25 number provided in the instruction packet prior to the original deadline. The Company
26 will furnish the IAM General Chair/TWU Local President or designated Local Union
27 Representative a copy of all extension requests. The Company will respond to the
28 employee within seven (7) days, with a copy to the IAM General Chair/TWU Local
29 President or designated Local Union Representative.
30
31 P. Accrual of seniority for pay purposes shall not exceed ninety (90) days for employees
32 who are furloughed.
33

34 Voluntary Separation in Lieu of Furlough:
35

- 36 Q. In any location, classification and bid area where any employee will be involuntarily
37 reduced from the location, classification and bid area, another more senior employee
38 who would have otherwise been unaffected by the reduction may volunteer for
39 separation. Separation benefits will include the identical benefits as found in Article
40 13 (Furlough Benefits), except that such employee will be separated from the
41 Company and will have no further rights under the agreement. Employees who have
42 less than fifteen (15) years of service and are not eligible for retiree benefits will
43 receive online pass travel for three (3) years on the airline and employees who have
44 completed fifteen (15) years of service and are not eligible for retiree benefits will
45 receive lifetime online pass travel on the airline.
46

ARTICLE 12 - REDUCTION IN FORCE / RECALL / VOLUNTARY FURLOUGH

1 NOTE: Time will start on the regularly scheduled work day following receipt of such
2 notice and will end at the close of the regular work shift on the third (3rd) scheduled
3 work day.

ARTICLE 13 - FURLOUGH BENEFITS

1 A. Employees who are furloughed through no fault of their own will be given two (2)
2 weeks' notice in writing or, at the option of the Company, two (2) weeks of pay at his
3 base hourly rate.

4
5 1. The requirement of notice will not apply to a furlough caused by one of the
6 conditions listed in paragraph B (2) of this article.

7
8 2. Any employee with one (1) year or more of service who is furloughed will receive
9 furlough allowance. The amount of furlough allowance payable under this Article
10 to employees eligible is contained in the following table and will be based on length
11 of compensated service with the Company from date of employment and will be in
12 addition to all other benefits in this Agreement.

13
14 3. Full Time Computation and Method of Payment: A week of furlough allowance
15 shall be computed on the basis of the employee's base hourly rate at the time of
16 his employment interruption multiplied by forty (40) hours. Furlough allowance
17 shall be paid at the successive payroll periods immediately following the date
18 employment is interrupted and shall continue to be paid until the employee is
19 recalled or the furlough allowance entitlement is exhausted, whichever occurs
20 sooner.

21
22

| <u>If employee has completed:</u> | <u>Furlough Allowance:</u> |
|-----------------------------------|----------------------------|
| 23 1 year of service | 1 weeks |
| 24 2 years of service | 2 weeks |
| 25 3 years of service | 3 weeks |
| 26 4 years of service | 4 weeks |
| 27 5 years of service | 5 weeks |
| 28 6 years of service | 6 weeks |
| 29 7 years of service | 7 weeks |
| 30 8 years of service | 8 weeks |
| 31 9 years of service | 9 weeks |
| 32 10 years of service | 10 weeks |
| 33 11 years of service | 12 weeks |
| 34 12 years of service | 13 weeks |
| 35 13 years of service | 14 weeks |
| 36 14 years of service | 15 weeks |
| 37 15 years of service | 17 weeks |

38

39 B. Disallowances: Furlough allowance shall not be paid when the employee:

40
41 1. Is discharged for just cause, retires or resigns.
42

ARTICLE 13 - FURLOUGH BENEFITS

- 1 2. Furlough allowance will not be paid if the furlough is the result of an act of God;
2 a national war emergency, revocation of the Company's operating certificate or
3 certificates, grounding of a substantial number of the Company's aircraft for
4 safety reasons, or a strike or picketing causing a temporary cessation of work;
5 however, employees will be allowed to exercise all rights in Article 12
6 (Reduction In Force).
7
- 8 3. Elects to exercise any seniority, bumping or transfer afforded him under this
9 Agreement to remain in active service with the carrier or accepts employment
10 offered by the carrier.
11
- 12 C. An employee returning to the service of the Company after being on furlough shall be
13 credited upon re-employment with any unused furlough allowance or, if it results in a
14 greater amount, up to a maximum of five (5) weeks of furlough allowance computed
15 as provided in paragraph (A) above, and based on his prior period of service. In the
16 event he is again furloughed under conditions entitling him to furlough allowance, he
17 shall be entitled to an amount computed on his years of compensated service with the
18 Company after the date of such return to the Company's service, plus such amount
19 credited to him upon re-employment.
20
- 21 D. Employees who are on furlough and their dependents shall continue to participate in
22 the Company's group medical/dental and life insurance programs for a period of ninety
23 (90) days following their last compensable day under this Agreement provided the
24 employee continues to pay his/her portion of the costs at active employee rate.
25
- 26 E. Employees involuntarily furloughed on or after the effective date of this agreement will
27 receive on-line non-revenue travel privileges for themselves and eligible family
28 members while on furlough for a period not to exceed three (3) years following their
29 last compensable day under this Agreement. All other travel privileges will be
30 governed by the Company's non-revenue travel policy.
31
- 32 F. Employees who have been on furlough for more than five (5) years will not be eligible
33 for travel under the Company's sixty-five (65) Point Plan, unless the employee returns
34 to active service for a minimum of six (6) months.
35
- 36 G. Employees, with five (5) years or more of credited service, who are furloughed and
37 who reach age fifty-five (55), may retire from furlough status, provided recall rights
38 have not expired, and receive retirement benefits (e.g. medical, dental, and term pass
39 benefits).

ARTICLE 14 – HOURS OF SERVICE

1 A. A standard workday shall be, unless otherwise specified herein, either eight-and-one-
2 half (8 1/2) consecutive hours, including a one-half (1/2) hour unpaid meal period or
3 ten-and-one-half (10 1/2) consecutive hours, including a one-half (1/2) hour unpaid
4 meal period.

5
6 B. A work week will consist of either five (5) scheduled eight-and-one-half (8 1/2) hour
7 work days, and two (2) consecutive scheduled days off, or four (4) scheduled ten-and-
8 one-half (10 1/2) hour work days and three (3) consecutive scheduled days off, except
9 when:

- 10 1. as a result of employee shift swaps; or
- 11 12 2. working a five (5) day workweek an employee’s scheduled days off are Monday
13 and Sunday; or
- 14 15 3. working a four (4) day workweek an employee’s scheduled days off are Monday,
16 Saturday and Sunday or Monday, Tuesday and Sunday.
- 17 18 4. When a workweek, as described in Paragraph C, contains an observed Holiday,
19 the work schedule for that week for all employees will have five (5) eight and one
20 half (8 1/2) hour work days.
21
22

23 The standard workweek will be five (5) scheduled eight-and-one-half (8 1/2) work
24 days. Employees will work the standard workweek except that each quarter
25 employees may select a four (4) day workweek as described above. Such
26 selection must be submitted to the Company no later than the date prescribed by
27 the Company and must designate the employee’s days-off preference, either
28 Monday, Saturday and Sunday, or Friday, Saturday and Sunday. The Company
29 will provide the appropriate number of four (4) day workweek schedules based on
30 the number of employees selecting a four (4) day workweek. The Company will
31 determine the distribution of the days-off and will be awarded in seniority order.
32

33 C. For purposes of computing pay the workweek shall begin midnight Sunday to midnight
34 Sunday and will include any tour of duty began during this period.

35
36 The Company will make every effort to allow an employee required as part of his work
37 assignment to travel during regular work hours.
38

39 D. Instructors not in classroom training will be granted one (1) fifteen (15) minute rest
40 period during the first half of a work shift and one (1) fifteen (15) minute rest period
41 during the second half of the work shift without loss of time, for the purpose of
42 relaxation.
43

44 E. The Company will determine the monthly work schedules in the Posted Work
45 Schedule (including days off, starting times and known travel and work assignments)
46 and post no later than the 1st day of the month preceding the work schedule. Once

ARTICLE 14 – HOURS OF SERVICE

1 posted, employees who are scheduled for travel assignments will have their itinerary
2 details approved by the Company as described in Article 19 (Travel/Travel Pay).

3
4 Once posted, the Company may change an employee’s schedule as follows:

- 5
6 1. Days off, workdays and/or shifts with a minimum of seven (7) days’ notice.
- 7
8 2. Where the original start time is between 05:30 and 08:30 and where the new
9 start time remains between those hours notification is required no later than the
10 end of their regular shift the day before the change.
- 11
12 3. For unexpected training assignments, change of shift assignments will require
13 notification of three (3) days prior to the change. If this change invokes the 24
14 hour rule, the employee will be paid the applicable rate.
- 15
16 4. Overnight Travel Assignments (Field Service), where the employee was not
17 previously scheduled for overnight field service, will require notification of seven
18 (7) days prior to the change.
- 19
20 5. Field service may be cancelled at any time.
- 21
22 6. Work assignments, within their scheduled hours, on a scheduled workday may
23 be changed based on the needs of service.
- 24
25 7. In cases of sickness or the absence of an employee the company may assign a
26 MTS to cover the absent employee’s posted assignments and the above
27 notification requirements will not apply.
- 28
29 8. No employee will be required to work more than two (2) different basic shifts in a
30 work week. For the application of this provision, the basic shift start times will be
31 defined as follows: 05:00 – 11:59 will be shift 1, 12:00 – 17:59 will be shift 2 and
32 18:00 to 04:59 will be shift 3.

33
34 Minimum notices for schedule changes described above may be waived with
35 mutual agreement of the employee and the Company.

- 36
37 G. When not otherwise scheduled by the Company in the posted work schedule,
38 employees will have Saturday and Sunday off. When not otherwise scheduled for a
39 specific assignment on a workday as indicated in the posted work schedule,
40 employees will be on “Flex Time”. Employees will elect a normal Flex Time shift
41 starting time not earlier than 05:30 AM or later than 08:30 AM on quarter hour
42 increments (example 05:30 AM 05:45 AM etc.). Employees working a four (4) day
43 workweek may elect a Flex Time shift starting time not earlier than 05:30 AM or later
44 than 07:00 AM. In the event the Company elects to establish permanent schedules
45 with starting times outside of the 05:30 AM – 08:30 AM window, including other periods

ARTICLE 14 – HOURS OF SERVICE

1 with flexible start times, classification seniority within the bid area will be used in the
2 assignments.

3
4 Employees may request adjustments to their Flex Time and/or workweek quarterly.
5 Where the Company is unable to honor all Flex Time and/or workweek requests,
6 classification seniority within the Bid Area will be used. Approved Flex Time start
7 times will remain in effect unless a change is requested by the employee at the
8 beginning of the quarter and approved by the Company. Any changes required by
9 the Company to posted Flex Times, workweek or days off for a work assignment will
10 be in accordance with Paragraph (E) above.

11
12 H. In each bid area the Company may designate one (1) Specialist per week in the
13 monthly schedule on a rotating and equitable basis to Field Service "Relief" to cover
14 unscheduled training requirements that require travel. Employees scheduled as Relief
15 may be assigned other work for which they are qualified when not assigned to travel.
16 When not otherwise scheduled by the Company in the posted work schedule,
17 employees scheduled for Relief will work a five (5) day workweek and have Saturday
18 and Sunday off. When Relief employees are not assigned to travel such employees
19 will work their normal Flex start time. Changes to Relief employee schedules are not
20 subject to the notification provisions in paragraph (E) above.

21
22 I. Employees will not be scheduled for more than thirty (30) overnight stays away from
23 their domicile in a calendar quarter. (Excluding any overnight stays as a result of
24 attending training) without agreement of the MTS.

25
26 J. Employees will not be scheduled to conduct training for more than three hundred forty
27 (340) hours in a calendar quarter.

28
29 K. The Company will make every effort to schedule employees off on all holidays covered
30 under this Agreement.

31
32 L. With Management approval, qualified employees will be permitted to swap shifts
33 and/or days off with other qualified employees. No overtime or paid rest will be due an
34 employee as a result of shift swaps. No request under these provisions shall be
35 honored in jurisdictions in which the laws or regulations either preclude such as a
36 result of hours restrictions or require the compensation of such day/shift at overtime
37 rates. This paragraph shall immediately apply in any jurisdiction, which may hereafter
38 impose such restrictions or require such payment.

39
40 M. Employees who work in a location that changes to Daylight Saving Time, will on the
41 date and shift that Daylight Saving Time goes into effect, work their regularly
42 scheduled number of hours. Employees who work in a location that changes from
43 Daylight Saving Time, will on the date and shift that Standard Time goes into effect,
44 be required to work one hour in addition to their regularly scheduled workday, and will
45 be compensated for the additional hour at the applicable overtime rate. If the Company
46 determines that less than a full crew is required during the last hour of the shift, it may

ARTICLE 14 – HOURS OF SERVICE

1 offer employees the opportunity to leave early in classification seniority order.
2

3 N. Adverse Condition Day - When a decision is made by Federal, State or Local
4 Government officials that prohibits an individual employee from reporting to work (i.e.
5 Travel Ban, Curfew, or State of Emergency), the employee will notify the Company as
6 soon as practical and the Company will approve the options listed below.
7

8 1. An employee who is scheduled and reports to work on time will be entitled to full
9 pay for the day, unless the employee voluntarily agrees to either take the rest of
10 the day off without pay or to use any other compensated time off (excluding block
11 vacation and sick) to make up his wages for time missed when absent due to
12 adverse conditions.
13

14 2. An employee arriving later than the beginning of the shift will be paid only for the
15 actual hours worked and may use HAT (paid in a minimum of one (1) hour
16 increments at straight time) to cover any time lost or take time missed without pay
17 at the employee's option.
18

19 3. When an employee is absent due to adverse conditions and is unable to report to
20 work, he will not receive regular pay for that day. The employee at his option may
21 use any other compensated time off (excluding block vacation and sick) to make
22 up his wages for time missed when absent due to adverse conditions.
23

24 4. If any of the above applies, an employee will not be charged with an
25 absence/tardiness under the attendance control policy.
26

27 O. Airport or Facility Closure - Employees will be notified by the Company of the closure
28 and shall receive a minimum of half of their regular scheduled hours pay at the regular
29 hourly rates, unless notified that there will be no work at the close of the last shift he
30 worked, or sixteen (16) hours before the start of his regular work shift, whichever
31 period is shorter. The employee at his option may use any other compensated time
32 off (excluding block vacation and sick) to make up his wages.
33

34 P. Employees working a standard shift shall be granted an uninterrupted thirty (30)
35 minute unpaid meal period, except when a longer period is agreed upon between the
36 parties (the Company and Local Union), to begin not earlier than three (3) hours after
37 the commencement of the scheduled shift and not end later than five and one-half (5
38 1/2) hours after the commencement of the scheduled shift. Every reasonable effort
39 will be made to allow all employees to take their meal period as scheduled. However,
40 if the employee's meal period is interrupted, due to operational necessity, he will be
41 paid an additional thirty (30) minutes at the rate of time and one-half (1.5x) and the
42 employee will then be rescheduled for an uninterrupted meal period beginning no later
43 than six and one-half (6 1/2) hours after the commencement of the scheduled shift.
44

45 Q. Employees working a scheduled shift longer than the standard shift shall be granted
46 an uninterrupted thirty (30) minute unpaid meal period, except when a longer period

ARTICLE 14 – HOURS OF SERVICE

1 is agreed upon between the parties (the Company and Local Union), to begin not
2 earlier than four (4) hours after the commencement of the scheduled shift and not end
3 later than six and one-half (6 1/2) hours after the commencement of the scheduled
4 shift. Every reasonable effort will be made to allow all employees to take their meal
5 period as scheduled. However, if the employee's meal period is interrupted, due to
6 operational necessity, he will be paid an additional thirty (30) minutes at the rate of
7 time and one-half (1.5x) and the employee will then be rescheduled for an
8 uninterrupted meal period beginning no later than seven and one-half (7 1/2) hours
9 after the commencement of the scheduled shift.

- 10
- 11 R. To the extent applicable law requires that employees covered by this Agreement be
12 provided with different break and meal periods than are set forth in this Agreement
13 and such law cannot be waived by the parties, an employee shall be entitled to the
14 more generous break and meal period schedule provided by applicable law or this
15 Agreement.
- 16
- 17 S. Employees who are involuntarily changed from Monday/Sunday to another set of days
18 off will be transitioned to Monday/Tuesday off for one week and then to new days off
19 the following week to ensure affected employees receive two (2) days off each week.
20 This provision does not apply to employees who voluntarily bid a position.

ARTICLE 14.1 – ABSENCE FROM DUTY

1 An employee unable to report for duty will, unless prevented by reasons beyond his
2 control, notify his immediate supervisor or other central point set up for reporting purposes
3 by the Company as far in advance of the scheduled starting time of his shift as possible.
4 Notwithstanding the above, an employee may flex the starting time, up to fifteen (15)
5 minutes without pay or penalty to the attendance record, twice per calendar year.
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ARTICLE 15 – INTENTIONALLY LEFT BLANK

ARTICLE 16 – COMPENSATION

1 During the period of this Agreement, the rates of pay for the classifications of work
2 covered will be in accordance with the Wage Schedules shown in Article 16
3 (Compensation), which are incorporated and made a part of this Agreement.

4
5 The hourly rates of pay as set forth in this Article shall be effective on the first Monday
6 after the date of ratification.

7
8 During the period of this Agreement, the chart rates of pay for the basic classifications
9 of work will be as specified on the appropriate pay charts below.

10

| <u>MTS</u> | | | | | |
|-------------------|---------------------|-----------------------|----------------------|----------------------|----------------------|
| | | +2% | +2% | +2% | +2% |
| <u>YOS</u> | <u>DOR</u> | <u>DOR +12</u> | <u>DOR+24</u> | <u>DOR+36</u> | <u>DOR+48</u> |
| 0-1 | 35.75 | 36.47 | 37.20 | 37.94 | 38.70 |
| 1-2 | 37.84 | 38.60 | 39.37 | 40.16 | 40.96 |
| 2-3 | 40.04 | 40.84 | 41.66 | 42.49 | 43.34 |
| 3-4 | 43.29 | 44.16 | 45.04 | 45.94 | 46.86 |
| 4-5 | 47.56 | 48.51 | 49.48 | 50.47 | 51.48 |
| 5-6 | 50.73 | 51.74 | 52.77 | 53.83 | 54.91 |
| 6-7 | 53.91 | 54.99 | 56.09 | 57.21 | 58.35 |
| 7-8 | <u>57.08</u> | <u>58.22</u> | <u>59.38</u> | <u>60.57</u> | <u>61.78</u> |

11

12

13 A. Flexible Starting Rates

14

15 1. In the event that the Company, in its sole discretion, finds that any or all of its
16 starting pay rates (Step 1) as specified in Article 16 (A), are noncompetitive with
17 local market starting rates for similarly situated jobs, the Company may hire
18 applicants in any classification at any station/base/location at rates of pay higher
19 (Step 2 through the maximum hourly rate in the applicable pay scale) than those
20 starting rates specified in Article 16 (A). As market conditions change, the
21 Company may, in its sole discretion, change its designated starting rate. Such
22 designated starting rate may be higher or lower than previous designated starting
23 rates; however, such starting rate may not be lower than Step 1 nor higher than
24 the maximum hourly rate in the applicable pay scale.

25

26 2. In those stations/base/locations where higher starting rates of pay are designated
27 in accordance with Article 16 (B) (1), all employees in that classification(s) at that
28 station/base/location who are receiving less than the new designated starting rate
29 of pay will have their rate of pay concurrently increased to the new designated
30 higher starting rate for that classification(s) in that station/base/location.

31

32 3. An employee receiving a flex rate of pay will remain at that pay step on the pay
33 scale until such time that his seniority reaches a point that would allow him to
34 advance to the next step.

ARTICLE 16 – COMPENSATION

- 1 4. An employee who transfers to or from a station/base/location which has an
2 adjusted starting rate of pay for his classification will have his rate of pay adjusted
3 upward or downward to conform to the rate of pay received by an employee with
4 the same Pay seniority as his, at his new station/base/location. Such adjusted rate
5 may not be less than Step 1 nor higher than the maximum hourly rate in the
6 applicable pay scale.
7
- 8 5. It is understood and agreed that the effective dates of step increases and other
9 changes in pay rates are determined by the employee's Pay seniority.
10
- 11 B. An employee who permanently transfers at his own request to another classification
12 of work as provided in any Association Agreement will continue to receive his same
13 hourly rate per hour but, in no event, will his hourly rate exceed the maximum rate for
14 the classification to which he transferred.
15
- 16 1. If his hourly rate at the time of such transfer is not the same as any regular rate
17 per hour for the classification to which he transferred, he will immediately receive
18 the nearest higher regular rate per hour for such classification. Thereafter, the
19 employee shall progress on the normal progression scale in the new classification.
20 In the case of a transfer from a higher to a lower classification caused by a
21 reduction in force under this Agreement, the above rules will apply.
22
- 23 2. The Company may hire a new Employee(s) at a pay scale step above the
24 beginning step provided there is not a more senior Employee who is paid less than
25 such new Employee(s). The Company retains the right to pay the wage rates
26 stated in the pay scale to Employees hired subsequent to any Employee(s) hired
27 and paid at a rate above the beginning step.
28
- 29 C. Shift Differential Premium will be paid as follows:
30
- 31 1. An employee assigned to a shift, which begins at or after 9:00 a.m. and before
32 7:59 p.m. will receive a shift differential of fifty one (.51¢) cents per hour.
33
- 34 2. An employee assigned to a shift, which begins at or after 8:00 p.m., and before
35 5:59 a.m. will receive a shift differential of fifty eight (.58¢) cents per hour.
36
- 37 3. No shift differential will be received by an employee assigned to a shift which
38 begins at or after 6:00 a.m. and before 8:59 a.m.
39
- 40 4. An employee whose assignment is to cover for shift relief or days off will be paid a
41 premium of sixty one (.61¢) cents for all hours worked during the week.
42
43
44
45
46

ARTICLE 16 – COMPENSATION

Example Start Times:

| | | | |
|---------------|----|-----------|------|
| 6:00 a.m. | to | 8:59 a.m. | None |
| 9:00 a.m. | to | 7:59 p.m. | 51¢ |
| 8:00 p.m. | to | 5:59 a.m. | 58¢ |
| Relief shifts | | | 61¢ |

- D. An employee will receive the shift differential applicable to the shift to which he is regularly assigned. The applicable shift differential will be included with the employee's base hourly rate in the calculation of pay for overtime, vacation, holiday, sick leave benefit, and benefits paid for absence due to an occupational illness or injury compensable under the applicable Workmen's Compensation law.
- E. An employee's base pay will mean the chart rate plus any applicable premiums and/or differentials and will apply to the calculation of pay for any overtime applications, vacation pay, holiday pay, sick leave pay, travel pay, field trips, furlough or severance pay, sick leave conversion to an HRA and pay for occupational illness or injury (OJI).

ARTICLE 17 – PROFIT SHARING

- 1 A. The terms of profit sharing benefits for TWU/IAM Association represented
2 employees (which replace and supersede any previous profit sharing provisions)
3 shall be as set forth in this Article 17.
4
- 5 B. TWU/IAM Association represented employees will be eligible for annual profit
6 sharing award payments if, for the year that the profit sharing award payment is
7 attributable, (i) the employee received eligible earnings (under the meaning used by
8 the current AAG profit sharing plan) from the Company for that profit sharing year
9 and (ii) remained employed on the last day of that profit sharing year, or whose
10 employment terminated during the profit sharing year by reason of the employee’s
11 retirement, involuntary furlough, disability, or death.
12
- 13 C. For each profit sharing year, the Company will calculate profit sharing award
14 payments as follows:
15
- 16 1. An amount equal to 10 percent (10%) of the dollar amount of American Airlines
17 Group Inc.’s (“AAG”) Pre-Tax Earnings up to \$2.5B for that year, and, an amount
18 equal to 20 percent (20%) of the dollar amount of AAG’s Pre-Tax Earnings above
19 \$2.5B for that year will be attributed to a profit sharing pool (“Total Profit Sharing
20 Pool”).
21
 - 22 2. A percentage of the Total Profit Sharing Pool will be allocated to the eligible
23 TWU/IAM Association represented employees by dividing the total eligible
24 earnings of the TWU/IAM Association represented employees by the total eligible
25 earnings of all participants in AAG’s profit sharing program(s) (“TWU/IAM Profit
26 Sharing Pool”).
27
 - 28 3. The TWU/IAM Profit Sharing Pool will be divided by the amount of all the
29 TWU/IAM Association represented employees’ eligible earnings, and the
30 resulting quotient shall be the “payout percentage.”
31
 - 32 4. The amount of the profit sharing award payment for each TWU/IAM represented
33 employee who is eligible for a profit sharing award for a profit sharing year shall
34 be the product of the payout percentage multiplied by such eligible employee’s
35 eligible earnings from the Company for the applicable profit sharing year.
36
- 37 D. “AAG’s Pre-Tax Earnings” means the earnings of AAG provided that such “earnings”
38 are determined (i) before any applicable income tax expense, and (ii) by excluding
39 all accruals under profit sharing plans and any other incentive compensation plan or
40 agreement, and all extraordinary, unusual, one-time, restructuring, reorganization,
41 integration, reduction in force, or other similar accounting adjustments as may be
42 determined by the compensation committee of the Board of Directors in its
43 discretion, after consultation with AAG’s independent auditors; and provided, further,
44 that AAG’s Pre-Tax Earnings remain positive after accruals under profit sharing
45 plans and all other incentive compensation plans or agreements are taken into
46 account.

ARTICLE 17 – PROFIT SHARING

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- E. Profit sharing award payments shall generally be made by March 15 of the subsequent calendar year or other such date as required by applicable law.
- F. The Company retains discretion over all profit sharing related matters not specifically addressed in this Article.

ARTICLE 18 - OVERTIME

- 1 A. The applicable rate of pay, computed on an actual minute basis, adjusted to the
2 nearest tenth (1/10) of an hour with a minimum of one (1) hour overtime, shall be paid.
3
- 4 1. The rate of time and one half (1.5x) shall be paid for the first four (4) hours worked
5 by an employee in advance of or after his regular scheduled hours on a regular
6 scheduled day, and for all hours worked by an employee on a regularly scheduled
7 day off for his first eight (8) hours, except as provided in paragraph A (2) and (3).
8
- 9 2. The rate of double-time (2 x) shall be paid as follows:
10
- 11 a. For all hours in excess of the first eight (8) paid hours, on any one (1) of the
12 employee's regularly scheduled days off in each work week.
13
- 14 b. If shift coverage is required for a ten (10) hour shift call, it will be paid as follows,
15 first eight (8) hours at time and one half (1.5x) the remaining hours will be paid
16 at double time (2x).
17
- 18 3. The rate of double-time (2x) shall also be paid to an employee who in a twenty-
19 four (24) hour period, works in excess of twelve (12) hours if the employee is
20 regularly scheduled to work an eight (8) or ten (10) hour schedule.
21
- 22 B. For overtime purposes, the twenty-four (24) hour period will begin with the starting
23 time of the employee's regularly assigned shift. Notwithstanding this twenty-four (24)
24 hour rule, the rate of double time (2x) shall be paid to an employee for all work in
25 excess of twelve (12) hours where the first twelve (12) hours worked have been
26 consecutive.
27
- 28 C. When an employee works on his scheduled day(s) off he will be entitled to at least
29 eight (8) hours of work at the applicable overtime rate.
30
- 31 D. Employees who change shifts or days off due to realignments or bidding on another
32 job shall not be paid overtime as a result of such change. However, an employee shall
33 be paid overtime when his shift, or days off are changed by the Company and the
34 work week provisions are thereby violated.
35
- 36 Example: Employees that do not have the seniority to remain on their shift during a
37 realignment, or who are bumped or abolished and therefore required to bid to a
38 different shift will be paid at the overtime rate if the work week provisions are violated.
39
- 40 E. After all employees within the bid area have been proffered the overtime assignment
41 and additional manpower is still required, qualified personnel from another bid area
42 may be requested to work overtime.
43
- 44 F. No employee will be expected to work overtime against his wishes.
45

ARTICLE 18 - OVERTIME

- 1 G. For continuous service after regular working hours, employees will not be required to
2 work more than two (2) hours without being permitted to take a thirty (30) minute
3 unpaid meal period in which to eat.
4
- 5 H. Employees reporting for work of at least four (4) hours pre-shift will be allowed a thirty
6 (30) minute unpaid meal period in which to eat within their pre-shift period.
7
- 8 I. When an employee completes his shift and is recalled to work, not in conjunction with
9 his regularly scheduled shift, he will be paid no less than four (4) hours at the overtime
10 rate applicable for each call.
11
- 12 J. When an employee is contacted outside of work for a technical support related
13 question or problem not related to the employee's oversight, he will be paid not less
14 than one (1) hour at his base hourly rate. This provision does not apply to general
15 notice phone calls, offering overtime, or other administrative issues.
16
- 17 K. Employees who have been required to work sixteen (16) consecutive hours (exclusive
18 of an unpaid meal period) which results in less than seven and one half (7 1/2) hours
19 rest prior to the employee's regular shift in the succeeding workday, the employee will
20 receive straight time rates until the seven and one half (7 1/2) hour rest period is
21 achieved and will report for the remainder of his scheduled shift.
22
- 23 L. If an employee has worked sixteen (16) consecutive hours (exclusive of an unpaid
24 meal period) at his home station he must have a rest period of seven and one half (7
25 1/2) hours. At the end of the seven and one half (7 1/2) hour rest period he will again
26 be governed by the overtime rules.
27
- 28 M. No overtime shall be worked except by direction of the proper supervisory personnel
29 of the Company, except in cases where prior authority cannot be obtained.
30
- 31 N. If the Company bypasses any employee(s) in violation of this Article, excluding the
32 application of paragraph (A) above, the Company will pay the equivalent number of
33 eligible employee(s) with the lowest hours on the Overtime List. The award will be the
34 number of hours missed on that overtime opportunity at the applicable overtime rate.
35 The employee(s) will be charged the appropriate hours on the Overtime List.
36
- 37 O. Overtime work will be distributed among the employees qualified to perform the work
38 necessitating overtime within their appropriate bid area as equitably as practicable in
39 accordance with Overtime Distribution Procedures. The Company will establish the
40 administrative process used to sign-up, offer, and award overtime.
41

ARTICLE 19 –TRAVEL/TRAVEL PAY

- 1 A. Employees required to attend training outside their location on a scheduled workday
2 will receive a minimum of eight (8) hours pay inclusive of travel time. Employees
3 required to attend training outside their location on a scheduled day off will be
4 compensated at the applicable rate for actual classroom hours.
5
- 6 B. An employee required to travel on any scheduled work day away from his station,
7 either before or after his regularly scheduled shift, will be compensated at the
8 applicable overtime rate. The Company will not change an employee’s days off solely
9 to avoid the payment of travel time. Travel time includes all required flight time by the
10 most direct route, all required connecting and required waiting time from the
11 conclusion of training, excluding overnights. All travel time on a scheduled day off will
12 be paid at the employee’s applicable overtime rate, but in no event for less than four
13 (4) hours. Travel time in this Article will begin ninety (90) minutes before the scheduled
14 departure of the flight actually taken by the employee, or any earlier flight for which he
15 stood by, and will end thirty (30) minutes after the actual gate arrival at the destination.
16 If the training is at an offsite location, reasonable time will be paid for travel to the
17 location.
18
- 19 C. An employee will have his itinerary and work schedule, including all training, known
20 expenses and overtime approved by his supervisor before the commencement of the
21 travel.
22
- 23 D. The Company will furnish positive space transportation for all on-line required
24 business travel in accordance with Company policy.
25
- 26 E. Employees required to remain overnight in conjunction with assignment, will be
27 permitted individual hotel accommodations.
28
- 29 F. An employee involved in conducting or attending training away from his station will
30 receive an hourly per diem allowance of two dollars and thirty cents (\$2.30) per hour
31 domestic and two dollars and eighty cents (\$2.80) per hour international, to cover all
32 incidental expenses (excluding lodging and transportation cost) incurred during such
33 assignments; with an increase of five cents \$.05 per hour on January 1st of each year.
34 The per diem allowance will commence sixty (60) minutes before the scheduled
35 departure of the flight actually taken by the employee, or any earlier flight for which he
36 stood by and will end thirty (30) minutes after the actual gate arrival at his home airport.
37 The time of departure and return will be provided by the employee and included on
38 his expense report for such assignments. Such employee will not be entitled to the
39 foregoing hourly per diem during periods of time he has returned to his residence or
40 his station inclusive of travel time during personal time off from training.
41
- 42 G. For international training where the employee’s total reimbursable meal and incidental
43 expenses (as established by Company Policy) exceed his total daily per diem
44 allowance, upon submission of actual itemized receipts, the employee shall be
45 reimbursed up to an amount equivalent to the difference between his total daily per

ARTICLE 19 –TRAVEL/TRAVEL PAY

1 diem allowance and the amount provided for under the M&E rates published by the
2 State Department (www.state.gov).

- 3
- 4 H. When required to remain overnight to conduct or attend training in locations where
5 transportation between the hotel and the training event and the hotel and restaurants
6 is not available, the Company will authorize a rental car, taxi or other means of
7 transportation. When a rental car is provided it will be at least a mid-sized car; for
8 every 1 to 4 employee(s). The employee will be reimbursed for all reasonable
9 transportation expenses by providing receipts.
- 10
- 11 I. Upon application, an employee will be given an advance by the Company to cover his
12 expenses while away from his station.
- 13
- 14 J. Within five (5) days after returning to his station, or at the close of each week in the
15 event an employee is away for a period longer than one (1) week, the employee shall
16 submit an expense report in accordance with Company regulations, and if the
17 employee has returned to his station, it shall be accompanied by the balance of any
18 expense money advanced, but not accounted for on the expense report.
- 19
- 20 K. Employees will not be required to fly on a single engine aircraft in the performance of
21 their duties.
- 22
- 23 L. No employee will be required to travel and/or conduct training classes outside the
24 American Airlines system and/or outside of locations where the Company has aircraft
25 maintenance performed unless the Company and the employee reach a mutual
26 agreement on all issues related to the assignment, excluding base rate of pay.
- 27
- 28 M. When Maintenance Training Specialists are required to be trained:
- 29
- 30 1. Such training requiring travel normally will be scheduled to provide at least
31 seven (7) calendar days of notice to the employees affected, except in the
32 event of training required to meet unanticipated conditions such as
33 airworthiness directives, fleet campaign directives, or vendor instructions. This
34 provision will not require the notice to employees exercising seniority under
35 Article 11 of this Agreement.
- 36
- 37 2. To the extent that work requirements permit, training will be accomplished
38 during the employee's regular working hours.
- 39
- 40 3. Computer based training will be completed on Company computers during
41 working hours.
- 42
- 43 N. Each specialized or manufacturer's training which is for more than five (5) work days
44 may require a stability period of up to one hundred twenty (120) days. Stability periods
45 will begin the day the employee completes specialized or manufacturer's training.
46 Recurrent or familiarization training will not be considered specialized training.

ARTICLE 19 –TRAVEL/TRAVEL PAY

- 1
- 2 O. Employees in a one hundred twenty (120) days stability period may bid positions and
- 3 will be awarded based on Article 9 (Filling of Vacancies) of this agreement. In the
- 4 event an employee is awarded a position during the stability period the company may
- 5 withhold that transfer until the completion of his stability period.
- 6
- 7 P. If for any reason the employee on an assignment away from his base is released by
- 8 an authorized agent of the Company for a period of eight (8) consecutive hours or
- 9 more, he shall not be paid for the time released, but in no event shall the employee
- 10 receive less than eight (8) or ten (10) hours pay based on the employee's schedule
- 11 for the day, during any twenty-four (24) hour period while away from his base station.
- 12
- 13 Q. The Company will reimburse Training Specialists for the cost of TSA Precheck and
- 14 any passports, passport renewal, passport photos, visas and inoculations where
- 15 Training Specialists are required to have these as part of their job assignment.
- 16
- 17

ARTICLE 20 – INTENTIONALLY LEFT BLANK

ARTICLE 21 - ISSUANCE OF SIDA BADGE

A. Renewing SIDA Badge

1. Employees who renew a SIDA badge at a station shall be permitted to complete the renewal process during their regularly scheduled shift if the SIDA office is open during those shift hours. If an employee's regularly scheduled shift is other than when the SIDA office is open, the employee shall be paid at straight time for the time required to process the application during their off-duty hours.

If the renewal of an employee's SIDA badge is delayed and the SIDA badge expires, the employee shall be placed on a personal leave of absence with reinstatement rights for SIDA access for up to ninety (90) days, unless extended by the Company on the basis of extenuating circumstances.

B. Obtaining a New SIDA Badge

1. Upon notification of transfer or bid award, the Company will provide the employee with a phone number, email address, and the name of the employee's point-of-contact at their new station. The employee will then contact the new station's point-of-contact within three (3) business days for instructions/paperwork necessary to get the new SIDA badge. The employee must immediately notify his existing manager that he contacted his new station point-of-contact.
2. The Company will provide necessary paperwork and/or arrange positive space transportation to the new station within seven (7) business days of the employee making contact with the new station. Should the Company fail to provide necessary paperwork and/or arrange positive space transportation within seven (7) business days of the employee making contact with the new station and notifying his existing manager, the employee will be paid at time and one half (1.5x) for all normal straight time hours worked until the above requirements are met.
3. When an employee is required to obtain his SIDA badge, he will be afforded time during his regularly scheduled shift. If an employee is required to obtain his SIDA badge outside of his regularly scheduled shift, he will be compensated at straight time rates. Employees required to travel to obtain their SIDA badge will be compensated for the minimum hours they were scheduled for that day at straight time rates. If the travel time exceeds the employee's regularly scheduled hours or travel is on his scheduled day off, he will be compensated at straight time rates.
4. The employee will continue working in his current position at his current station for a time sufficient to allow for the processing of his SIDA badging in his new work location.
5. Following completion of the fingerprinting and SIDA application at his new station, the employee must present verification to his supervisor at his current station that the procedure is complete and he will transfer to the new location in accordance with Article 9 (Filling of Vacancies).

ARTICLE 21 - ISSUANCE OF SIDA BADGE

- 1 6. No employee will incur any cost associated with the initial issue or timely renewal
2 of Company or associated Airport/Base required ID badges.
3
- 4 7. An employee who cannot obtain a SIDA badge at his new station, but can maintain
5 his SIDA badge at his current station, will be allowed to remain in his existing
6 classification and pay status in his bid position at his current station. If an
7 employee cannot maintain his SIDA badge at his current station, the employee
8 shall be placed on a personal leave of absence with reinstatement rights for SIDA
9 access for up to ninety (90) days, unless extended by the Company on the basis
10 of extenuating circumstances.
- 11
- 12 8. Other expenses incidental to the transfer will be borne by the employee

ARTICLE 21.1 BACKGROUND CHECK LOA

1 **RE: BACKGROUND CHECK**

2 Revised DOR

3

4 Tim Klima

5 Airline Coordinator

6 Transportation Department IAMAW

7

8 Mike Mayes

9 Air Division Director

10 Transport Workers Union of America

11

12 The Union has recently raised the question regarding the Company position should a
13 criminal history records check, as required under the TSA fingerprinting regulations,
14 disclose information regarding criminal activity that is not a disqualifying offense within
15 the meaning of the regulations, *i.e.*, is not on the list of disqualifying offenses included in
16 the regulations or did not occur within the last ten (10) years.

17

18 The answer is that no information obtained in connection with the CHRC will be used for
19 any purpose not permitted under the regulations. We believe that the regulations as
20 presently written do not provide for the use of any information regarding non-disqualifying
21 offenses and/or any offenses that occurred more than ten (10) years before the date of
22 the individual's application for unescorted SIDA access.

23

24 Sincerely,

25

26

27 James B. Weel

28 Managing Director – Labor Relations

29 American Airlines, Inc.

30

31

32

ARTICLE 22 – HOLIDAYS

- 1 A. Employees will observe the following holidays each year: New Year's Day, Martin
2 Luther King Day, Presidents Day, Memorial Day, Independence Day, Labor Day,
3 Veterans Day, Thanksgiving Day, the day after Thanksgiving, and Christmas Day.
4 The actual day on which the holiday falls will be observed as the holiday.
5
- 6 1. If a holiday falls on an employee's day off, that employee will be paid in
7 accordance with paragraph (C) below.
8
 - 9 2. The Company shall give at least seven (7) days' notice of any reduction in the
10 required complement on any of the foregoing holidays.
11
 - 12 3. When a full scheduled crew is not required to work on a holiday, employees will
13 be offered the holiday off on the basis of classification seniority, by shift, in the
14 bid area at that location until the reduced complement is achieved. Once the
15 reduced complement is achieved, if the Company then finds it necessary to
16 increase the complement, those employees in the bid area who were not
17 afforded an opportunity to work by reason of such reduction will be asked to
18 work first in order of classification seniority, shift and department prior to
19 utilizing the overtime list.
20
 - 21 4. For pay purposes the twenty-four (24) hour holiday period shall begin with the
22 starting time of the employee's regularly assigned shift.
23
 - 24 5. Employees receiving furlough allowance will not receive holiday pay.
25
 - 26 6. For employees who regularly work an eight (8) hour schedule, in addition to the
27 eight (8) hours straight time pay for the holiday, employees who are scheduled
28 to work on a holiday shall be paid at the rate of one and a half (1.5X) times for
29 the first eight (8) paid hours worked.
30
 - 31 7. For employees who regularly work a ten (10) hour schedule, in addition to the
32 ten (10) hours straight time pay for the holiday, employees who are scheduled
33 to work on a holiday shall be paid at the rate of one and a half (1.5X) times for
34 the first ten (10) paid hours worked.
35
 - 36 8. Employees who work more than their scheduled hours (overtime) on a holiday
37 will be paid at the applicable overtime as described in Article 18 (Overtime),
38 plus straight time pay for the holiday for all additional hours worked on such
39 holiday.
40
 - 41 9. Employees working shift swaps on a holiday will be paid the rate of one and a
42 half (1.5X) times the regular rate of pay on the holiday swap.
43
 - 44 10. In order to be paid for holidays that fall during the month, employees must be
45 in an active pay status (all hours paid) for eighty (80) hours in the month. For

ARTICLE 22 – HOLIDAYS

1 purposes of this paragraph, time spent on unpaid FMLA, military, and
2 occupational injury leaves shall count towards the eighty (80) hour requirement.
3

- 4 B. An employee who is required to work (scheduled to work) may, at his option and
5 upon notification to his supervisor, elect to work the holiday and be paid at the
6 one and a half (1.5X) times for his regularly scheduled shift hours and receive
7 one (1) compensatory day at his regular straight time rate deposited into their
8 Compensatory bank.
9
- 10 C. Employees not scheduled to work or scheduled to work but not required to work
11 on the above mentioned holidays, will be compensated for the day equal to the
12 number of regularly scheduled hours at their regular straight time rate, or may at
13 their option, receive one (1) compensatory day at their regular straight time rate
14 deposited into their compensatory bank.
15
- 16 D. If an employee works overtime on a holiday that falls on his regular scheduled day
17 off, he will be paid at the applicable overtime as described in Articles 18 (Overtime),
18 plus straight time pay for the holiday for all hours worked on such holiday.
19
- 20 E. Any employee wishing to use compensatory day(s) must provide the Company
21 with no less than five (5) and no more than thirty (30) days written notice prior to
22 the posting of the monthly work schedule. The granting of compensatory day(s)
23 will be made no more than five (5) days prior to the posting of the schedule and
24 will be reflected in the monthly work schedule. The Company will grant the
25 compensatory day(s) off requests up to the vacation ratio. When more than one
26 employee seeks compensatory day(s), Company seniority will govern. Once
27 granted, senior employees will not be permitted to take compensatory day(s)
28 already awarded to a junior employee. If an employee gives less than the required
29 notice above, the Company will make every effort to grant the compensatory day(s)
30 off requests up to the vacation ratio. If the employee makes a request, which
31 exceeds the ratio, the Company may, at its sole option, grant the compensatory
32 day request.
33
- 34 F. Compensatory days may be taken in half (1/2) day increments. Employees may
35 request in writing (may be electronic) compensatory time in increments of one (1)
36 hour up to a maximum of three (3) hours subject to management approval.
37
- 38 G. The maximum number of compensatory time to be accrued will be seventeen and
39 one half (17.5) days. Thereafter, no further accrual will be allowed and the
40 employee will be paid at the applicable rate of pay for the holiday. When the
41 compensatory day is granted, the employee will be paid the regularly scheduled
42 hours for that day or half the hours if granted a half day compensatory day. If the
43 compensatory request is granted in hours as described in (F) above, such hours
44 will be deducted from bank.
45

ARTICLE 22 – HOLIDAYS

- 1 H. The priority for the granting of compensatory time off will be as follows: Day-at-a-
2 Time (DAT) vacation then compensatory day off.
3
- 4 I. Upon separation from the Company for any reason, any unused accrued
5 compensatory time will be paid at the employee's then current rate of pay. In case
6 of the death of an employee, the amount due shall be paid to his legal heir or
7 representative.

ARTICLE 23 – VACATION

- 1 A. All employees covered by this Agreement who have been with the Company for
 2 one (1) year or more as of January 1, will be entitled to an annual vacation of two
 3 (2) weeks minimum with pay.
 4
- 5 B. Employees must be in an active pay status (all hours paid) for eighty (80) hours in
 6 a month to accrue vacation for the month. For purposes of this paragraph, time
 7 spent on unpaid FMLA, Military, and Occupational Injury leaves shall count
 8 towards the eighty (80) hour requirement. Employees receiving Severance
 9 Allowance do not accrue vacation.
 10
- 11 C. Employees on a Leave of Absence will accrue vacation in accordance with Article
 12 25 (Leaves of Absence) matrix.
 13
- 14 D. Vacation compensation will be based on the classification the employee occupies
 15 during his vacation period. Employees who have been with the Company less
 16 than twelve (12) months as of January 1, will be entitled to vacation in accordance
 17 with the following schedule:
 18

| <u>Complete Months of Service as of January</u> | | <u>Hours</u> | <u>Vacation</u> |
|---|----|--------------|-----------------|
| 1 Month | 8 | Hours | |
| 2 Months | 8 | Hours | |
| 3 Months | 8 | Hours | |
| 4 Months | 16 | Hours | |
| 5 Months | 16 | Hours | |
| 6 Months | 16 | Hours | |
| 7 Months | 24 | Hours | |
| 8 Months | 24 | Hours | |
| 9 Months | 32 | Hours | |
| 10 Months | 32 | Hours | |
| 11 Months | 40 | Hours | |
| 12 Months | 80 | Hours | |

33
 34 E. Vacation allowances are as follows:
 35
 36

Vacation accrual in year 2020 and 2021 for use in 2021 and 2022

| Completed Years of Service | Monthly Future Vacation Days | Max Yearly Future Vacation Days | Monthly Future Vacation Hours | Max Yearly Future Vacation Hours |
|----------------------------------|------------------------------------|---------------------------------------|----------------------------------|--|
| 1 | 1 day | 10 days | 8 hours | 80 hours |
| 4 | 1.5 days | 15 days | 12 hours | 120 hours |
| 11 | 2.0 days | 20 days | 16 hours | 160 hours |
| 24 | 2.5 days | 25 days | 20 hours | 200 hours |
| 29 | 3.0 days | 30 days | 24 hours | 240 hours |

37

ARTICLE 23 – VACATION

Vacation accrual in year 2022 for use in 2023 and all years thereafter

| Completed Years of Service | Monthly Future Vacation Days | Max Yearly Future Vacation Days | Monthly Future Vacation Hours | Max Yearly Future Vacation Hours |
|----------------------------|------------------------------|---------------------------------|-------------------------------|----------------------------------|
| 1 | 1 day | 10 days | 8 hours | 80 hours |
| 4 | 1.5 days | 15 days | 12 hours | 120 hours |
| 11 | 2.0 days | 20 days | 16 hours | 160 hours |
| 17 | 2.5 days | 25 days | 20 hours | 200 hours |
| 24 | 3.0 days | 30 days | 24 hours | 240 hours |

F. Employees will be required to bid and take a minimum of two (2) weeks' vacation annually. Any unused vacation hours will be paid to the employee during the first quarter of the following year. These hours will be paid at the rate of pay on December 31st of the calendar year, in which they were earned.

G. It is understood that vacation accruals shall be due from January 1, after the employee completes required specified years of service period.

H. Vacation pay is computed at the employee's regular rate of pay.

I. Employees who have satisfied the provisions of paragraph (G) above may use any additional vacation time as day at a time vacation (DAT). Any employee wishing to use DAT day(s) must provide the Company with no less than five (5) and no more than thirty (30) days written notice prior to the posting of the monthly work schedule. The granting of DAT day(s) will be made no more than five (5) days prior to the posting of the schedule and will be reflected in the monthly work schedule. The Company will grant the DAT day(s) off requests up to the vacation ratio. When more than one employee seeks DAT day(s), Company Seniority will govern. Once granted, senior employees will not be permitted to take DAT day(s) already awarded to a junior employee. If an employee gives less than the required notice above, the Company will make every effort to grant the DAT day(s) off requests up to the vacation ratio. If the employee makes a request, which exceeds the ratio, the Company may, at its sole option, grant the DAT day request.

1. DAT days may be taken in half (1/2) day increments or (1) hour increments (HAT).

2. An employee will not be granted DAT vacation on a holiday, regular day off (RDO), or during a bid vacation period.

3. Any DAT vacation which has not been used by the end of the calendar year will be paid to the employee no later than four (4) weeks from January 1 in the following year.

ARTICLE 23 – VACATION

1 4. Priority for granting DAT vacation time-off will be as follows: DAT then
2 compensatory day.
3

4 J. Vacation request for the following year must be requested in writing and submitted
5 no later than October 15. Vacation weeks will be bid based on five (5) eight-and-
6 one-half (8.5) hour days. Vacation requests will be awarded by Company seniority
7 in full week increments on a single round basis. The weeks requested are to be
8 contiguous with the employees scheduled days off unless the employee and the
9 company agree otherwise. The company will grant Vacation requests for thirty
10 three and a third percent (33.3%) of the employees in each bid area at each station
11 with a minimum of one (1) using standard rounding for each week. Vacation
12 requests, which exceed the thirty three and a third percent (33.3%) minimum, will
13 be approved as outlined in the paragraph below.
14

15 The company may award Vacation requests above the minimum, or requests
16 submitted after October 15 providing the training requirements can be met, as
17 determined by Local Management.
18

19 K. Any unused accrued vacation will be paid at the employee's then current rate of
20 pay, upon separation from the Company for any reason. In case of the death of an
21 employee, the amount due shall be paid to his legal heir or representative.
22

23 L. Bid Vacation periods may not be cancelled unless another vacation period can be
24 simultaneously awarded.
25
26
27
28
29

ARTICLE 24 – SICK LEAVE

- 1 A. Employees with more than one (1) month service with the Company will accrue eight
2 (8) hours of sick leave credit for each month (excluding the months of June and
3 October) of service up to a maximum of sixteen hundred (1600) hours credit.
4 Employees must be in an active pay status (All hours paid) for eighty (80) hours in a
5 month to accrue sick leave for the month. For purposes of this paragraph, time spent
6 on Military, Occupational Injury leaves, or unpaid FMLA leaves shall count towards
7 the eighty (80) hour requirement. Employees receiving Severance Allowance do not
8 accrue sick leave.
9
- 10 B. Employees shall be paid at 100% beginning with and including the first (1st) day of
11 any illness provided they have sick leave remaining in the bank.
12
- 13 C. During an illness, the number of hours paid will be charged against the accumulated
14 hours and eight (8) hours credit for each succeeding month (excluding the months of
15 June and October), of service shall again be credited to the employee until the total
16 credit again reaches sixteen hundred (1600) hours. Sick leave usage within a pay
17 period will be reflected on the employee's pay stub.
18
- 19 D. The Company will provide a sick leave balance on employee pay stubs. The seniority
20 roster will also show accumulated sick leave credits.
21
- 22 E. Employees who have more than, sixteen hundred (1600) hours in their sick bank as
23 of DOR, will be grandfathered and will not accrue sick leave until such time their sick
24 leave bank drops below sixteen hundred (1600) hours.
25
- 26 F. An employee unable to report for duty will, unless prevented by reasons beyond his
27 control, notify his immediate supervisor or other central point set up for reporting
28 purposes by the Company as far in advance of the scheduled starting time of his shift
29 as possible.
30
- 31 G. The employees and the Union recognize their obligation of being truthful and honest
32 in preventing unnecessary absences or other abuses of sick leave privileges.
33 Employees may be required to present confirmation of illness and the Company
34 reserves the right to require, when in doubt of a bona fide claim a physician's certificate
35 to confirm such sick claim. Employees who abuse sick leave privileges may be subject
36 to disciplinary action by the Company.
37
- 38 H. Except as specified in K (2) of this Article, only hours absent due to illness or injury
39 of the employee which are not compensable under the applicable Worker's
40 Compensation Laws will be paid for from his allowed sick leave. Payment will be
41 based on the employee's regular hourly rate.
42
- 43 I. The intended purpose of the sick leave benefit is to protect the earnings of the
44 employee during necessary absence from work due to illness or injury, and to aid the
45 employee in meeting bills when sickness or injury have temporarily taken away his
46 ability to work.

ARTICLE 24 – SICK LEAVE

- 1 J. Employees are not eligible for sick pay on a designated holiday. Holiday as used in
2 this Article is defined as the twenty-four (24) hour period beginning with the
3 employees' regular scheduled shift.
4
- 5 K. During an employee's absence due to an occupational illness or injury compensable
6 under the applicable Workers' Compensation Law, he will receive from the Company
7 the following benefits:
8
- 9 1. For the first twenty (20) workdays absent, the difference between his regular
10 hourly rate of pay and Workers' Compensation payments, if any.
11
- 12 2. At the conclusion of the period referred to in (1) above, an employee drawing
13 Workers' Compensation may, at his option, draw upon his accrued sick leave
14 up to the extent of his accrual at the rate of up to one-half regular pay.
15 Provided, however, the sum of such Workers' Compensation weekly
16 payments plus such sick pay benefits will not exceed the employee's regular
17 base weekly pay. Corresponding deductions will be made from his available
18 sick leave accrual. Deductions will be to the nearest 0.1 of an hour up to a
19 maximum of one-half day of sick leave.
20
- 21 3. These benefits will be in lieu of any other payment provided for in this Article
22 for all absences due to the same illness or injury.
23
- 24 L. Upon separation from the Company, an employee will be paid ten-dollars and eighty
25 cents (\$10.80) for each hour of accrued sick leave in his sick bank.
26
- 27 M. To the fullest extent permitted by law, this Agreement shall operate to waive the
28 provisions of any sick leave laws that are inconsistent with the terms of this
29 Agreement, and shall supersede and be considered to have fulfilled all requirements
30 of such laws. To the extent applicable law is inconsistent with the terms of this
31 Agreement, and such law is not waivable, an employee shall be entitled to the more
32 generous sick leave protections provided by applicable law or this Agreement.

ARTICLE 25 - LEAVES OF ABSENCE

1 A. All requests for leaves of absence, or extensions, shall be submitted to the Company,
2 in writing on the proper form. The Company will provide a monthly report to the Local
3 Committee/TWU Local President listing the employees covered by this Agreement
4 who are on a leave of absence.

5
6 B. Personal Leave of Absence
7

8 When the requirements of the operation will permit, an employee may be granted an
9 unpaid Personal Leave of Absence, referred to as "PLOA," for any period of up to one
10 (1) year. A request for PLOA must be submitted to the Company in writing in
11 accordance with paragraph (A) above. The request will state the reason for the leave
12 and the duration of the leave. An approved PLOA will be granted in writing and will
13 specify the expiration date of the leave. When a PLOA is granted, the employee will
14 retain and continue to accrue seniority during the entire period of the leave.
15

- 16 1. If the initial leave is requested for less than one (1) year and the requirements of
17 the operation will permit, a PLOA may be extended for additional periods such that
18 the total leave does not exceed one (1) year. A request for an extension of a PLOA
19 must be submitted and approved prior to the expiration date of the current leave.
20
- 21 2. An employee on a PLOA may submit a request to terminate his leave prior to the
22 expiration date of the leave. The request must be in writing and the Company's
23 response to the request will be in writing.
24
- 25 3. Based on the requirements of the operation, the Company may cancel any PLOA
26 at any time prior to the expiration date of the leave. In the event the Company
27 elects to cancel a PLOA, the affected employee will be notified in writing not less
28 than fourteen (14) days prior to the effective date of the cancellation.
29

30 C. Adoption/Maternity/Paternity Leave
31

32 Upon request and when accompanied by the required documentation substantiating
33 the need for such leave, an employee will be granted an unpaid
34 adoption/maternity/paternity leave of absence of up to eight (8) weeks, and for any
35 additional period that may be required by applicable law. For maternity leave, the
36 employee must exhaust all sick time before going unpaid.
37

- 38 1. Adoption leave will commence on the date the employee takes custody of the child
39 or the date the child is placed in the employee's home. Maternity/paternity leave
40 will commence on the day the infant is born.
41
- 42 2. The Company may require adoption/maternity/paternity leave to run concurrently
43 with FMLA leave (if such leave otherwise qualifies as FMLA leave). If the
44 employee has exhausted or exhausts FMLA Leave prior to or during this eight (8)
45 week period, the Company will grant adoption/maternity/paternity leave of up to,

ARTICLE 25 - LEAVES OF ABSENCE

1 but no more than, eight (8) total weeks from the birth or adoption of the child unless
2 an additional period is required by applicable law.

3 4 D. Family Medical Leave Act

5
6 Employees will be eligible for leave from work pursuant to the terms of the Family and
7 Medical Leave Act (FMLA) of 1993, as amended. When approved FMLA leave is
8 taken for an employee's own qualifying serious health condition, the employee must
9 exhaust all sick time and may also, at his option use any accrued vacation or comp
10 time before being placed on unpaid status.

- 11
12 1. When approved FMLA leave is taken for any other reason provided for under
13 FMLA, the employee may at his option use accrued vacation or comp time prior to
14 going unpaid, but cannot use sick time unless required by state law. An employee
15 granted a leave of absence under the provisions of FMLA, referred to as a Family
16 Leave of Absence or "FMLA," will retain and continue to accrue seniority during
17 the leave.

18 19 E. Union Leave

20
21 Employees accepting full time employment with the Union (TWU Local Officers,
22 District Lodge Representatives, IAM/TWU International Representatives) shall, during
23 such employment, be granted an indefinite leave of absence by the Company. Such
24 leave will not affect the seniority status of the employee and all employee benefits
25 shall continue in effect during his leave of absence.

- 26
27 1. TWU Local Presidents will have their base hourly rate paid by the Company while
28 in office based on a forty (40) hour work week, as if active.
- 29
30 2. For any other employee(s), who are required for bona fide Union business, leaves
31 of absence of thirty (30) days or more will be granted if a written request is
32 submitted to the employee's supervisor at least thirty (30) days (or less if mutually
33 agreed to) in advance to accommodate the request. This advance notice
34 requirement will also apply to any request for an employee to attend a Union
35 Convention. When the employee is on Union business there will be no interruption
36 to the employee's pay and benefits, but the Company will bill the Union as
37 applicable, for the employee's salary plus an eight percent (8%) override for tax
38 and benefit related expenses. Failure of the responsible party to pay the billing will
39 result in the termination of the union leave for the affected employee.
- 40
41 3. For any other employee(s), who are required for bona fide Union business, of less
42 than thirty (30) days will be granted reasonable time off if a written request is
43 submitted to the employee's supervisor in advance to accommodate the request.
44 When the employee is on Union business there will be no interruption to the
45 employee's pay and benefits, but the Company will bill the Union as applicable, for
46 the employee's salary plus an eight percent (8%) override for tax and benefit

ARTICLE 25 - LEAVES OF ABSENCE

1 related expenses. Failure of the responsible party to pay the billing will result in the
2 termination of the Union leave for the affected employee.

3 4 F. Medical Leave of Absence

5
6 Any employee who has exhausted all sick leave, and continues to be absent due to
7 sickness or non-occupational injury in excess of fourteen (14) days, will be placed on
8 unpaid medical leave of absence using the standard leave of absence form, and must
9 present proper medical documentation detailing reason(s), physical limitations, time
10 limits, etc. When an employee is placed on an unpaid medical leave of absence due
11 to sickness or injury, the Company will send the employee, via certified U.S. Mail to
12 the employee's last known address and return receipt or equivalent carrier, unless the
13 employee mutually agrees to electronic communication, a personal information
14 package within ten (10) days from the start of the unpaid leave including a letter
15 advising of his unpaid leave status, benefit information, and notice of the requirement
16 for medical substantiation.

- 17
18 1. An employee granted an indefinite medical leave, which does not detail time limits,
19 shall at the end of the first one hundred eighty (180) day period reconfirm his
20 sickness or physical disability. If the sickness or disability continues, the employee
21 may be required to reconfirm his medical condition, at the end of each one hundred
22 eighty (180) day period.
23
24 2. Employees, who exhaust sick leave, due to sickness or occupational injury and
25 are placed on an unpaid medical leave of absence, will remain eligible for group
26 health benefits for twelve (12) months at the active Company subsidized rates
27 provided he pays his share of the cost as if active. At the end of the twelve (12)
28 months the employee can continue coverage if he pays the full cost up to the length
29 of the leave.
30
31 3. Employees not returning from Medical leave due to sickness or occupational injury
32 within five (5) years will be deemed to have resigned from their position. This,
33 however, shall not be automatic. Instead, the Company, upon request from the
34 employee prior to the expiration of the five-year (5) term, shall consider whether
35 an additional period of leave of a specific duration may be reasonable. The
36 Company will provide one hundred eighty (180) calendar days written notification
37 prior to the expiration date of the five (5) year period. The notification will be made
38 via certified U.S. Mail return receipt or equivalent carrier to the employee's last
39 known address.
40

41 G. Employees on sick leave, personal leave, authorized Union business leave, medical 42 leave of absence, or occupational injury leave for more than ninety (90) work days will 43 return to work in accordance with the provisions of this Article.

- 44
45 1. An employee returning from an authorized leave of absence, or extension thereof,
46 will be returned to the Bid Work Area and Shift held when the leave was granted.

ARTICLE 25 - LEAVES OF ABSENCE

1 If the job no longer exists, or has been filled by a more senior employee, he shall
2 exercise his seniority within his bid area by bumping the junior employee in the bid
3 area. In the event that a returning employee causes another employee to be
4 bumped, the junior employee on the overage shift will be required to bump the
5 junior employee in the bid area.
6

7 H. Military Leave
8

9 Employees will receive a maximum of eighty (80) hours free from duty each calendar
10 year for annual reserve or guard duty. Such leave will not count against the
11 employee's vacation. The Company will pay the employee the difference between his
12 regular pay and the amount received from the military. Employees will be required to
13 provide the Company with a copy of their military orders and will be required to submit
14 to the Company proof of the amount of pay received from the military within fourteen
15 (14) days after the employee returns. This amount (excluding expenses) will be
16 deducted from the employee's next paycheck. While an employee is active in the
17 reserve or guard, he will have his days off adjusted, if requested seven (7) days in
18 advance, to attend weekend drill duty.
19

20 I. Political Leave
21

22 Any employee elected or appointed to a full-time governmental office (i.e., Federal,
23 State, Local) will be granted a political leave of absence not to exceed the term of
24 office, or subsequent reelection or reappointment. The application for a political leave
25 must be made in writing to the Company, with a copy to the Union. An employee
26 granted a political leave will retain and accrue classification seniority for the period of
27 the leave, however, no other Company benefits or privileges will be granted or
28 accrued, nor will time on political leave constitute continuous service for pension plan
29 benefits. Employees granted a political leave must give thirty (30) days notice of intent
30 to return.
31

32 J. Jury Duty
33

34 An employee who is called for jury service will be excused from work for the days on
35 which he is required to serve and will receive for each day of jury service on which he
36 would have been regularly scheduled to work, the difference between his regular
37 hourly earnings and the actual payment received for jury service. Employees must
38 present proof of jury service and the amount of pay received therefore, if any. When
39 an employee is required to call in or called for such service, he will be transferred to
40 the day shift with Saturday and Sunday as his regular days off. With the completion of
41 his jury service, said employee will return to his former shift and days off, beginning
42 the next week.
43
44
45
46

ARTICLE 25 - LEAVES OF ABSENCE

1 K. Bereavement Leave

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7

Upon providing proper documentation, employees shall be allowed three (3) work days off without loss of pay if they suffer a death in their immediate family, and up to two (2) additional unpaid days upon request (for a total of five (5) days). Immediate family for the purposes of this Paragraph shall include:

| |
|---|
| Spouse, Domestic Partner |
| Children and stepchildren (dependent/non-dependent) |
| Children and stepchildren (dependent/non-dependent) of Domestic Partner |
| Son in-law/daughter-in-law |
| Parents/step-parents |
| Parents/step-parents of spouse/Domestic Partner |
| Siblings, step-siblings, siblings-in-law |
| Sibling, step-siblings, siblings-in-law of spouse/Domestic Partner |
| Grandparents/step-grandparents/grandparents-in-law |
| Grandparents/step-grandparents/grandparents-in-law of Domestic Partner |
| Grandchildren/step-grandchildren |
| Grandchildren/step-grandchildren of Domestic Partner |
| Legal guardian/Former legal guardian |
| Other family members permanently living in the household |
| If an employee, spouse, or Company recognized domestic partner experiences a medically documented miscarriage |

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To the extent that Company policy provides more expansive bereavement leave benefits, those benefits will be applied to employees covered by this Agreement.

- L. An MTS employee may request a one-time payment for all or part of his accrued vacation/comp time while on an unpaid leave of absence. However such payment will not affect the employees leave status.
- M. Any employee on personal, medical, or occupational leave of absence, of more than seven (7) consecutive days, engaging in gainful employment not provided for in this Article without written permission from the Company and the Union, or engaging in activities which may bring discredit to the Company or its employees, shall be deemed to have resigned and his name stricken from the seniority roster.
- N. Unless otherwise specified, employees not returning from any leave (except Medical due to sickness or occupational injury, Military, Union or Political) within three (3) years will be deemed to have resigned from their position. This provision does not apply to

ARTICLE 25 - LEAVES OF ABSENCE

1 furloughs.
2

3 O. An employee on any leave of absence will physically report to his station on his first
4 scheduled workday following the expiration of the leave. It is the responsibility of the
5 employee to contact the Company prior to the expiration of his leave of absence to
6 ensure that he knows his schedule and assignment. Failure to report or to secure a
7 renewal of a leave of absence will terminate the leave of absence and his employment.
8 It is the responsibility of the Company to inform the employee of the expiration date of
9 any approved leave of absence. The Company will also inform the employee of the
10 procedures regarding any benefits while on his leave.
11

12 P. Any written communication between the Company and an employee on a leave of
13 absence will be via certified or registered United States mail, return receipt requested,
14 or by United Parcel Service or equivalent, confirmation of delivery requested.
15

16 1. Any change in address must be filed promptly in accordance with Company Policy.
17

18 2. The rights of an employee on a leave of absence under the provisions of this
19 Article, in regard to the maximum duration of a leave, Company seniority accrual,
20 classification seniority accrual, pay seniority accrual, vacation accrual, sick leave
21 accrual, credited service for pension, and reinstatement rights are listed in the
22 chart that follows.
23

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ARTICLE 25 - LEAVES OF ABSENCE

| | Unpaid - FMLA | Medical Leave | Personal Leave | Unpaid Adoption - Baby bonding | Military Leave | Union Leave | Political Leave | Occupational IOD Leave | Furlough Leave |
|----------------------------------|------------------------------------|--|-------------------------------------|--|---|------------------------------------|--|--|--|
| Duration of Leave | In accordance with applicable law | Up to 5 years | Up to 12 months | Up to 8 weeks or In accordance with applicable law | Up to 5 years - or in accordance with Federal Law | Up to 12 months or term of office | Term of Office | Up to 5 years | Life Time recall |
| Class Seniority accrual | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Accrue up to 5 years - Retain thereafter |
| Pay Seniority accrual | Duration of Leave | Duration of Leave | Up to 60 calendar days | Duration of Leave | Duration of Leave | Duration of Leave | Up to 60 calendar days | Duration of Leave | Up to 90 calendar days |
| Company Seniority accrual | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave | Duration of Leave |
| Sick accrual | Duration of Leave | Up to 60 calendar days, then retain | No accrual, Retain | Up to 60 calendar days, then retain | Duration of Leave | Duration of Leave | No accrual, Retain | Duration of Leave | No accrual, Retain |
| Vacation accrual | Duration of Leave | Up to 60 calendar days, then retain | Up to 60 calendar days, then retain | Up to 60 calendar days, then retain | Duration of Leave | Duration of Leave | None | Duration of Leave | None |
| Medical /Dental Insurance | Active rates for duration of leave | 12 months - same as active rates, (inclusive of FMLA Leave), then full rates for duration of leave | Full rates for duration of leave | Full rates for duration of leave | In accordance with USERRA, Active rates for duration of leave | Active rates for duration of leave | Cobra Eligible | 12 months - same as active rates, (inclusive of FMLA Leave), then full rates for duration of leave | Active coverage ends 90 days after last compensable day under Agreement, then Cobra begins |
| Life Insurance | Active rates for duration of leave | Active rates for duration of leave | Active rates for duration of leave | Active rates for duration of leave | In accordance with USERRA, Active rates for duration of leave | Active rates for duration of leave | Eligible to convert to individual policy | Active rates for duration of leave | Active coverage ends 90 days after last compensable day under Agreement then may convert |
| Travel Privileges | Per Company Policy | Per Company Policy** | Per Company Policy | Per Company Policy | Per Company Policy | As if active | None | Per Company Policy | After last compensable day under Agreement, three (3) years for employee & Family - all others per Company Travel Policy |

** For Medical Leave of Absence only: In the event the Company plans to modify the travel privilege policy that applies to an Association represented employee on a Medical Leave of Absence, the Company will meet and discuss the modification(s) with the Association to reach a mutual agreement and the Association agrees that it will not unreasonably withhold their agreement.

ARTICLE 26 – LIMITED DUTY

- 1 A. Employees who are injured in the service of the Company or have restrictions as a
2 result of an off the job illness or injury, after the effective date of this agreement, will
3 be allowed to work in accordance with the following, at their station, based on their
4 classification seniority:
5
- 6 1. The Company will provide indefinite limited duty to employees providing that their
7 restrictions are such that they can perform substantially all the essential elements
8 of their job.
9
 - 10 2. Employees who are able to perform reasonable productive work within their
11 classification, but not substantially all the essential elements of their normal work
12 classification will be provided limited duty for up to ninety (90) work days for an
13 injury on the job or sixty (60) work days for an off the job illness or injury to the
14 extent that there is meaningful work available.
15
 - 16 3. Where the employee's medical restrictions are such that the employee is unable
17 to perform reasonable work within their classification, and where the Company
18 determines that productive work (for which the employee is qualified) exists, then
19 such work may be assigned for periods not to exceed sixty (60) work days during
20 the recuperative process

ARTICLE 26.1 – LIMITED DUTY LOA

1 December 5, 2017
2
3 Tim Klima
4 Airline Coordinator
5 Transportation Department IAMAW
6
7 Mike Mayes
8 Air Division Director
9 Transport Workers Union of America

Limited Duty

10
11
12
13 During the discussions leading to the Joint Collective Bargaining Agreement (JCBA) for
14 Fleet Service, Maintenance & Related employees, and Stores, the following was agreed
15 to as it relates to Limited Duty.

16
17 The Company agrees that any employee on limited duty as a result of an injury on the
18 job or a personal illness or injury suffered, prior to the effective date of the Joint
19 Collective Bargaining Agreement (JCBA) agreement, will be grandfathered under the
20 limited duty terms that applied at the time of the injury or illness and will continue to
21 receive the benefits of such provisions.

22
23 If the above accurately reflects your understanding of our agreement, please indicate by
24 signing below.

25
26 If you have any questions, please let me know.

27
28 Sincerely,

29
30
31 James B. Weel
32 Managing Director – Labor Relations
33 American Airlines, Inc.

34
35 Agreed to:

36
37 _____
38 Tim Klima
39 Airline
40 Transportation Department IAMAW

Mike Mayes
Air Division Director
Transport Workers Union

41
42 cc: J. Glass
43 C. Barton
44 R. Jones
45 S. Pantoja
46 A. Garcia

ARTICLE 27 - FITNESS FOR DUTY / MEDICAL EXAMINATIONS

- 1 A. Employees may be required to submit to a Company paid Medical examination at the
2 time of employment and any time two or more members of management concur there
3 is a serious question as to an employee's physical or mental condition that may impair
4 the performance of his duties or pose a safety hazard to himself, other employees, or
5 customers. The employee will be notified in writing which will include an explanation
6 of the reason(s) for the evaluation. The employee shall be furnished a copy of the
7 Company's Medical Examiner's report in writing.
8
- 9 B. Any information obtained by or as a result of a Company's medical examination shall
10 be strictly confidential between the Company, its insurance carriers, the Company's
11 doctor, and the employee, and shall not be divulged to any other person without the
12 written permission of the employee unless required by subpoena, court order or other
13 legal process. This information will be limited to the reason for the medical
14 examination as described in paragraph A.
15
- 16 C. During the time the employee is absent from work under the provisions of this Article,
17 he will be compensated at his regular rate of pay, for his regularly scheduled shifts,
18 exclusive of shift trades, inclusive of seniority and benefits.
19
- 20 D. Should the employee be deemed fit for duty the Company will return him to work
21 immediately, and restore him to his former position consistent with his seniority.
22
- 23 E. If the Company's Medical Examiner determines that the employee is able to return to
24 work with restrictions, the Company will then engage in a conversation with the
25 employee, to determine whether it is reasonable to return the employee to work with
26 restrictions. Upon request of the employee, a Union Representative may participate
27 in the conversation.
28
- 29 1. If the Company determines it is not reasonable to return the employee to work with
30 restrictions, the employee may appeal the findings of the Company's Medical
31 Examiner under the provisions of paragraph G of this Article, in writing, within
32 seven (7) days of the Company's notification to the employee.
33
- 34 F. When an employee fails to pass the Company's medical examination, the employee
35 may appeal such actions under the provisions of paragraph G of this Article, in writing,
36 within seven (7) days of receipt of the Company's Medical Examiner's report.
37
- 38 G. When an employee appeals under this Article, he shall have a review of his case as
39 follows:
40
- 41 1. The employee may employ a Medical Examiner, of his own choosing and expense,
42 for the purpose of conducting a physical/mental examination covering the
43 problem(s) and/or conditions covered by the Medical Examiner employed by the
44 Company which found the employee unfit for duty. The employee must take all
45 necessary steps to schedule this exam in an expeditious manner.
46

ARTICLE 27 - FITNESS FOR DUTY / MEDICAL EXAMINATIONS

- 1 2. A copy of the findings of the Medical Examiner chosen by the employee shall be
2 furnished to the Company and in the event that such findings verify the findings of
3 the Medical Examiner employed by the Company, no further review of the case
4 shall be afforded. If the employee's Medical Examiner determines that the
5 employee is able to return to work with restrictions, and the Company's Medical
6 Examiner subsequently agrees, the Company will then engage in a conversation
7 with the employee to determine whether it is reasonable to return the employee to
8 work with restrictions. Upon request of the employee, a union representative may
9 participate in the conversation. If the Company's Medical Examiner does not agree
10 with the employee's Medical Examiner that the employee can return with
11 restrictions, then the employee may seek review by a neutral Medical Examiner in
12 accordance with Paragraphs G.3 and G.4 below.
13
- 14 3. In the event that the findings of the Medical Examiner chosen by the employee
15 disagree with the findings of the Medical Examiner employed by the Company, the
16 Company will, at the written request of the employee, ask that the two (2) Medical
17 Examiners agree upon and appoint a third neutral Medical Examiner, preferably a
18 specialist, for the purpose of making a further medical examination of the employee
19 to determine his fitness for duty. The employee must submit the written request
20 within seven (7) days of receipt of the findings of his Medical Examiner.
21
- 22 4. The neutral Medical Examiner shall then make a further examination of the
23 employee in question, and the case shall be settled on the basis of such findings.
24 If the neutral Medical Examiner determines that the employee is able to work with
25 restrictions, the Company will then engage in a conversation with the employee to
26 determine whether it is reasonable to return the employee to work with restrictions.
27 Upon request of the employee, a Union representative may participate in the
28 conversation. Copies of such Medical Examiner's report shall be furnished to the
29 Company and to the employee.
30
- 31 5. The expense of the third Medical Examiner will be borne by the Company including
32 all expenses related to travel such as airfare and hotel. If the employee fails to
33 show for the scheduled appointment and has no justifiable reason, he will be
34 responsible for any no show fee. This paragraph also applies to employees
35 required to submit to an initial Company medical examination outside of their
36 domicile.
37
- 38 H. The Company's obligation to compensate an employee who is out of work under this
39 Article shall cease upon the earlier of an employee's failure to appeal within the
40 specified time limits, failure to attend/schedule appointments or based on a Medical
41 Examiner's findings as specified above. The Company, however, may excuse an
42 employee's failure to attend scheduled appointments if it concludes the employee had
43 a justifiable reason.

ARTICLE 28 - SAFETY AND HEALTH

- 1 A. The Company hereby agrees to maintain safe, sanitary and healthful conditions in all
2 facilities and to maintain at all times a registered first aid station to take care of its
3 employees in case of accident or illness.
4
- 5 B. The Company agrees to furnish good drinking water and sanitary fountains will be
6 provided. The washrooms will be kept in good repair and in a clean, dry and sanitary
7 condition. The Union and employees recognize their duty and responsibility to assist
8 in maintaining safe, healthful and sanitary conditions. Shops and washrooms will be
9 properly lighted, ventilated and heated. Individual lockers will be provided for all
10 employees where adequate space and facilities are reasonably available.
11
- 12 C. In order to eliminate, as much as possible, accidents and illness, a Joint Safety
13 Committee composed of an equal number of Union representatives, not more than
14 five (5), and Company representatives, not more than five (5), will be established at
15 each location in the system where employees are stationed. It will be the duty of the
16 Joint Safety Committee to:
17
- 18 A. Receive and review Company accident, injury and job related illness reports
19 pertinent to the Safety Committee investigation, and make recommendations to
20 prevent recurrence. (Safety Committee members will receive copies of available
21 monthly summaries of employee accidents and injuries and have access, upon
22 request, to specific Company reports resulting from employee on the job accidents
23 or injuries);
24
- 25 B. Receive and investigate complaints regarding unsafe and unsanitary working
26 conditions and make recommendations to resolve the hazards and complaints.
27 The employee or Union Representative should first notify and discuss any safety
28 complaint with his immediate supervisor/manager. Management will address the
29 safety concern in a reasonable time frame and will advise the employee or Union
30 Representative of the action taken. If the action taken is not satisfactory to the
31 employee or Union Representative, it will be forwarded to the Joint Safety
32 Committee (JSC) for further review with information from the company reporting
33 system.
34
- 35 C. See that all applicable sanitary and safety regulations are complied with.
36
- 37 D. Make recommendations for the maintenance of appropriate sanitary and safety
38 standards.
39
- 40 D. In the event that the Joint Safety Committee is unable, within sixty (60) days, to
41 resolve an issue which has been brought to its attention, either the Company or the
42 Union may submit the issue to the System Joint Safety Committee which will
43 constitute a board to review the issue. In cities where an APC (Accident Prevention
44 Council) exists, TWU Local President/IAM General Chairman will appoint a
45 representative(s) to participate on the APC. Prior to sending an issue to the System

ARTICLE 28 - SAFETY AND HEALTH

1 Joint Safety Committee, all safety issues will be first submitted to the APC for
2 resolution.

- 3
4 E. The System Joint Safety Committee will consist of two (2) full time Association Ground
5 Safety Directors paid by the company, and an equal number of representatives of the
6 Company's Safety office. If the issue is not resolved by the System Joint Safety
7 Committee, either representative may submit the issue on appeal to the System Board
8 of Adjustment in accordance with the provisions of Article 33 (Grievance Procedure)
9 of the Agreement.

10
11 The Company, Union and employees will cooperate towards a prevention of work
12 related accidents and the furtherance of an aggressive safety program.

13
14 The Joint Safety Committee shall meet at least once a month to resolve safety
15 issues and review corrective action taken for all lost time accidents, which may have
16 occurred. Reasonable time off, without loss of pay, will be allowed for Union
17 members of the Local Joint Safety Committee to investigate and handle safety
18 complaints related to their locations.

19
20 Union members of the Joint Safety Committee will function in an advisory capacity
21 and will be informed of all lost time accidents. The Joint Safety Committee will be given
22 advance notification of testing and will be provided with the results of environmental
23 air, noise and contaminants testing. The Company will post such results in the
24 appropriate location in non-technical terms. The Company shall continue to post
25 OSHA Form 200 for review by the Union at each of its locations.

26
27 The Joint Safety Committee may monitor the Company's application and compliance
28 with state, municipal and federal safety and sanitary regulations. The Joint Safety
29 Committee may also make recommendations for the maintenance of appropriate
30 safety and sanitary standards.

31
32 Both the Union and the Company shall encourage employees to utilize the Joint Safety
33 Committee for all unresolved safety related matters.

34
35 Both the Union and the Company shall cooperate in seeking resolutions to help reduce
36 the accident frequency and severity rates.

- 37
38 F. No employee will be required to work under unsafe or unsanitary conditions. Proper
39 and modern safety devices shall be provided for all employees working on hazardous
40 or unsanitary work, such devices to be furnished by the Company. Employees will not
41 be required to use unsafe tools or equipment. However, employees will be expected
42 to report unsafe tools or equipment to a supervisor before refusing to use such
43 defective tools or equipment. The Company will furnish protective apparel, equipment
44 and devices to all employees required to work with acids or chemicals that are
45 injurious to clothing or employees.

ARTICLE 28 - SAFETY AND HEALTH

- 1 G. Employees injured while at work shall be given medical attention at the earliest
2 possible moment, and employees shall be permitted to return to work without signing
3 any release of liability pending the disposition of settlement of any claims for damage
4 or compensation. Such injured employees who are able to work will be allowed to
5 obtain medical attention without loss of time. It is the responsibility of the injured
6 employee to report an injury to his immediate supervisor or if unavailable, another
7 member of management, during the work period in which the injury occurred, if or as
8 soon as physically possible.
9
- 10 H. The Company will provide Personal Protective Equipment (PPE) to employees who
11 work in areas where PPE is required by the Company or Government
12 Statutes/Regulations. Employees will be required to use or wear the devices in
13 performing that work.
14
- 15 I. The Company will provide employees with prescription and/or non-prescription safety
16 glasses for use at work, Employees provided prescription glasses must provide their
17 own prescription. One (1) pair of prescription glasses will be provided each two (2)
18 year period unless damaged in the performance of their duties or due to a prescription
19 change. The company will involve the System Joint Safety Committee in the selection
20 of vendor and/or products to be utilized by the employees.
21
- 22 J. Employees covered by this Agreement shall not be required to work on aircraft or
23 ground equipment outside of hangars during inclement weather when hangar space
24 is available to the Company. This clause shall not apply to work on aircraft or ground
25 equipment for immediate service or on such equipment (e.g., jet-way) that cannot be
26 easily brought to a hangar. Suitable rain suits or protective outer garments shall be
27 kept available at all shops or points by the Company.
28
- 29 K. In the event of a work place accident that results in loss of life, or limb, the Association
30 Ground Safety Directors shall be notified by the Company of the incident as soon as
31 possible by e-mail, text message and/or phone call. Upon notification the Association
32 Ground Safety Directors, shall be deployed to the accident scene on a space positive
33 basis and be permitted to conduct an investigation, in conjunction with the company,
34 of the accident on behalf of the injured member.
35
- 36 L. A Union representative of the Joint Safety Committee at the effected location will be
37 informed of any OSHA enforcement activity and will participate in any OSHA
38 workplace inspection, conferences or hearings without loss of time.
39
40

ARTICLE 29 - BENEFITS

1 The following represents the terms of the health and welfare benefit coverage for eligible
2 employees represented by the TWU/IAM Association, and this coverage replaces and
3 supersedes the previous health and welfare benefit provisions.

4
5 A. LIFE INSURANCE – Active Employees

6
7 The Company will provide the following life insurance coverage for TWU/IAM Association
8 represented active employees:

- 9
10 1. For an employee whose base monthly salary is \$1,500 or more, his basic life
11 insurance coverage will be \$70,000 and the premiums will be paid by the
12 Company.
13
14 2. The Company will offer additional, employee paid voluntary life insurance
15 coverage, per Company policy, for which the coverage and the rates will be no
16 less than any other represented workgroups.
17

18 B. HEALTHCARE COVERAGE - Employees

19
20 The Company will provide the following healthcare coverage for eligible TWU/IAM
21 Association represented employees under the American Airlines, Inc. Health & Welfare
22 Plan for Active Employees (“Medical Plan”) (with medical coverage being referred to
23 herein as “Employee Medical Coverage”):

- 24
25 1. The Company will offer the following two (2) medical coverage options in the
26 Medical Plan (i) the Standard option; and, (ii) the Core option which is a Health
27 Savings Account-compatible medical plan option. The Company reserves the right
28 to amend the Medical Plan at the Company’s sole discretion, with the exception
29 of:
30
31 a. The Standard option plan design features in the Chart of Medical Plan
32 Coverage Option Design Features in Paragraph B (11)
33
34 b. The employee contribution methodology for the Standard and Core options
35 described in Paragraphs B (4) and B (6);
36
37 2. If the Company offers the High Cost Coverage (“HCC”) option in the Medical Plan
38 in any plan year, employees eligible to enroll in the Standard or Core options will
39 be eligible to enroll in the High Cost Coverage option with the same plan design
40 and cost share as offered to other represented workgroups. If HCC is offered, part-
41 time employees will be offered the same option as full time employees and at the
42 same contribution rates. If a more favorable cost share and/or plan design, in the
43 aggregate, for the HCC if offered, is provided to another represented workgroup,
44 such cost share and/or plan design elements shall be provided to the Association
45 represented employees. The Company reserves the right to amend or terminate
46 the High Cost Coverage option, at its sole discretion.

ARTICLE 29 - BENEFITS

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- 3. Advance notice of material Medical Plan changes will be provided to TWU/IAM Association prior to implementation. At least thirty (30) days prior to the distribution of the Medical Plan’s annual enrollment materials, the Company will provide the TWU/IAM Association with a copy of the data, assumptions, and methodologies used to calculate employee contributions under the Standard and Core options.
- 4. Aggregate employee contributions for the Standard and Core options in the Medical Plan will be twenty-one percent (21%) of the total projected cost of each forecasted year of healthcare expenses for these two (2) Medical Plan options (which include medical/prescription and administrative expenses) as calculated by the Company. Employee contributions for the Standard and Core options will increase with medical inflation with employee contributions set as explained above. The High Cost Coverage option inflation and employee contributions will be calculated separately from the Standard and Core options if such plan is offered.
- 5. The Association and the Company have agreed that a review committee will be established to review plan administrative changes to the Standard option. This committee will have the right of appeal to the Sr. Vice President - Human Resources in the event of a dispute.
- 6. The Association and the Company will participate on a joint committee to develop programs and procedures which will reduce the rate of increase in cost in order to minimize the impact on employees.
- 7. Part-time employees will be offered the same Standard and Core options as full time employees and at the same contribution rates.
- 8. Chart of Coverage Tiers:

| Coverage Tiers | Contribution Multiplier |
|-----------------------|-------------------------|
| Employee Only | 1.0 |
| Employee + Spouse | 2.6 |
| Employee + Child(ren) | 1.8 |
| Employee + Family | 3.5 |

31
32
33

The multiplier for the Coverage Tiers is based on the Employee Only coverage tier.

ARTICLE 29 - BENEFITS

- 1 9. New hire employees eligible for healthcare coverage will default to the Medical
 2 Plan's Core option for Employee only coverage on their eligibility date unless the
 3 employee waives coverage or elects another healthcare coverage option or level
 4 of coverage offered during the initial enrollment period.
 5
 6 10. To the extent the Company is offering incentives in any plan year to employees for
 7 participating in a wellness program, employees enrolled in the Standard and Core
 8 options will be eligible for those incentives provided they meet the criteria (as
 9 established by the Company in its discretion) for earning the incentive.
 10
 11 11. Chart of Medical Plan Coverage Option Design Features for 2020:
 12

| | Standard | Core |
|--|-----------------------------|----------|
| Current Plan Design Features | | |
| Health Spending Accounts | HRA | |
| In Network Deductible (Single/Family) | \$850/\$2,550 | |
| Out of Network Deductible (Single/Family) | \$3,000/\$9,000 | |
| Coinsurance (In/Out)** | 20%/40% | |
| In Network Out of Pocket Max (Single/Family) | \$2,000/\$5,000 | |
| Out of Network Out of Pocket Max (Single/Family) | \$6,000/\$15,000 | |
| Primary Care Physician Copay (In Network only) | \$30* 40% out of Network | |
| Specialist Copay (In/Out) | 20%/40% | |
| Retail Clinics Copay (In/Out) | 20%/40% | |
| Preventive Care | \$0 | |
| Emergency Room | Ded/Coins/\$100 CoPay | |
| Pharmacy (Retail) | | |
| Generic | 20% (\$10 min/\$40 max) | |
| Formulary Brand | 30% (\$30 min/\$100 max) | |
| Non-Formulary Brand | 50% (\$45 min/\$150 max) | |
| Pharmacy (Mail) | | |
| Generic | 20% (\$5 min/\$80 max) | |
| Formulary Brand | 30% (\$60 min/\$200 max) | |
| Non-Formulary Brand | 50% (\$90 min/\$300 max) | |
| 2020 Monthly Contributions | | |
| EE Only | \$108.78 | \$96.70 |
| EE + Spouse | \$282.84 | \$251.43 |
| EE + Child(ren) | \$195.81 | \$174.06 |
| EE + Family | \$380.75 | \$338.47 |

13 *Deductibles and co-insurance apply if provider is out-of-network.

ARTICLE 29 - BENEFITS

1 **(In/Out) when used in the chart means In-Network and Out-of-Network,
2 respectively.

3
4 The following provisions apply to the Standard option:

- 5
6 a. Deductibles do not apply toward Out of Pocket maximum;
7
8 b. Medical coinsurance applies towards Out of Pocket maximums;
9
10 c. Pharmacy coinsurances do not apply towards deductibles, but do apply
11 towards Out of Pocket maximums;
12
13 d. Co-pays do not apply to the deductible.

14
15 12. If a more favorable cost share and/or plan design, in the aggregate, for the
16 Standard or Core options, is provided to another represented workgroup, such cost
17 share and/or plan design elements shall be provided to the Association
18 represented employees.

19
20 13. The Company has the right to amend any provision in the Medical Plans for the
21 purpose of complying with applicable laws and regulations.

22
23 14. Employees will be required to timely pay for all benefits, including Flexible
24 Spending Account contributions, in order to maintain coverage, including while on
25 a Leave of Absence, through payroll deduction, the direct bill process or other
26 collection process as applicable.

27
28 15. Notwithstanding the foregoing Paragraphs B (1-14), the Company will provide the
29 following healthcare coverage for certain Legacy US Airways employees under the
30 American Airlines, Inc. Health Benefit Plan for Certain Legacy Employees (the
31 “Legacy US Airways Medical Plan”):

32
33 a. Legacy US Airways employees enrolled in the Legacy US Airways Medical
34 Plan immediately prior to DOR will continue to be eligible to participate in the
35 Legacy US Airways Medical Plan, subject to the following:

36
37 i. The PPO80/60 option will be a coverage option under the Legacy US
38 Airways Medical Plan.

39
40 ii. The PPO90/70 option will be a coverage option under the Legacy US
41 Airways Medical Plan until it sunsets on December 31st of the year in which
42 the Agreement becomes amendable. Provided, however, that if the
43 amendable date falls within or after the annual enrollment period occurring
44 in the Amendable Year, participants in the PPO90/70 option will have the
45 option to remain in the PPO90/70 option until December 31st of the year

ARTICLE 29 - BENEFITS

1 following the Amendable Year, after which time the PPO 90/70 option will
2 not be offered.

3
4 iii. The Legacy US Airways Medical Plan PPO100/80 option will sunset on
5 December 31, 2020. If participants in the PPO100/80 option do not elect a
6 new coverage option during the open enrollment in the year the PPO100/80
7 sunsets, such participants will be defaulted into PPO80/60option coverage
8 for the following year.

9
10 b. The Legacy US Airways Medical Plan will not be open to new participants,
11 including new hires and transfers who are not already enrolled in the Legacy
12 US Airways Medical Plan, on and after DOR; provided, however, that the
13 following will have a one-time opportunity to enroll in the Legacy US Airways
14 Medical Plan during the 2020 annual enrollment:

15
16 i. Eligible Legacy US Airways employees who, as of DOR, who are not,
17 enrolled in the Legacy US Airways Medical Plan.

18
19 ii. Eligible employees in the following accreted groups as of DOR: Central
20 Load Planners, Tower/Operations/Control Center Coordinators, Quality
21 Assurance Auditors, Aircraft Maintenance Planners, Technical
22 Documentation Specialists, Bill of Work/EO/AD Planners, Material
23 Planners, and AOG-MCU Planners, Maintenance Training Specialists.

24
25 c. If a participant in the Legacy US Airways Medical Plan ceases to participate in
26 any option of the Plan for any reason, the participant will not be able to re-enroll
27 in the Legacy US Airways Medical Plan.

28
29 d. Employee contribution methodology and plan design features for the Legacy
30 US Airways Medical Plan including prescription drugs will be those in the 2014
31 Collective Bargaining Agreements between US Airways and the IAM, covering
32 Mechanic and Related, MTS, and Fleet Service.

33
34 e. Existing benefits under the Legacy US Airways Medical Plan will not be
35 decreased during the term of this Agreement.

36
37 f. Employee contribution rates will be the same for part-time employees and full
38 time employees.

39
40 g. The Company shall have discretion to offer participants incentives to exit the
41 Legacy US Airways Medical Plan.

ARTICLE 29 - BENEFITS

1 h. In the event that the TWU/IAM Associations or the IAM should lose
2 representation rights for a specific employee group through a representation
3 election conducted by the National Mediation Board (“NMB”), the Company
4 shall immediately have the right to eliminate, alter, modify, or merge with an
5 existing plan, the Legacy US Airways Medical Plan provided under this
6 Agreement for the specific employee group whose representation has
7 changed.
8

9 **C. DENTAL COVERAGE**

10 The Company will provide the following dental coverage for TWU/IAM Association
11 represented active employees:
12

13 Chart of Dental Coverage Design Features for 2020:
14
15

| | Plus | Basic |
|---|--------------------------------------|--------------------------------------|
| Current Plan Design Features | | |
| In Network Deductible | \$0 – Preventive \$50 – All other | \$0 – Preventive \$50 – All other |
| Out of Network Deductible | \$75 | \$75 |
| Annual Maximum – In Network | \$2000 | \$1000 |
| Annual Maximum – Out of Network | \$1500 | \$750 |
| Orthodontia – Lifetime Maximum – In Network | \$2000 | \$1000 |
| Orthodontia – Lifetime Maximum – Out of Network | \$1500 | \$750 |
| Preventive Co-insurance – In Network | 100% | 100% |
| Preventive Co-insurance – Out of Network | 80% | 80% |
| Basic Co-insurance – In Network | 80% | 50% |
| Basic Co-insurance – Out of Network | 50% | 50% |
| Major Co-insurance – In Network | 80% | 50% |
| Major Co-insurance – Out of Network | 50% | 50% |
| Orthodontia – Co-insurance – In Network | 50% | 50% |
| Employee Cost Share | 23% | 23% |

ARTICLE 29 - BENEFITS

| | | |
|----------------------------|---------|---------|
| 2020 Monthly Contributions | | |
| EE Only | \$8.31 | \$5.98 |
| EE + Spouse | \$17.20 | \$12.38 |
| EE + Child(ren) | \$18.62 | \$13.41 |
| EE + Family | \$29.42 | \$21.18 |

1
2 The Company has the right to amend the dental plan for the purpose of complying with
3 applicable laws and regulations. If more a favorable cost share and/or plan design, in the
4 aggregate, is provided to another represented workgroup, such cost share and/or plan
5 design elements shall be provided to the Association represented employees.
6

7 **D. VISION COVERAGE**

8
9 The Company will provide the following vision coverage to TWU/IAM Association
10 represented active employees.
11

12 The Company will offer a voluntary, employee funded vision plan, and such plan will be
13 available at the same contribution rates as other represented workgroups. The plan
14 design features of the vision plan will be at the discretion of the Company.
15

16 **E. DISABILITY COVERAGE**

17
18 Long Term and Short Term Disability options are described in Parties Long Term
19 Disability (LTD)/Short Term Disability (STD) Plan Letter of Agreement.
20

21 **F. MEDICAL COVERAGE – Retirees**

22
23 The following is effective for all TWU/IAM Association represented employees retiring on
24 or after DOR:
25

- 26 1. Notwithstanding any other collective bargaining agreement provisions, and all
27 other agreements, past practices, and arbitration awards between the parties, the
28 Company is not required to maintain, fund, or provide for retiree medical insurance
29 benefits.
30
- 31 2. For retiree medical coverage for retirees ages 55 through 64: Eligible employees
32 retiring on or after age fifty-five (55) with five (5) years of service and through age
33 sixty-four (64) will have access to a Company-sponsored retiree medical plan
34 option. Retiree contribution rates for this coverage will be one hundred percent
35 (100%) of projected annual expenses (which includes administrative expenses)
36 using data, assumptions, and methodologies for calculating future retiree
37 healthcare costs.
38
- 39 3. Retiree medical coverage shall cease when the retired employee attains age sixty-
40 five (65). Retirees age sixty-five (65) and over will be offered access to purchase,

ARTICLE 29 - BENEFITS

1 at the retiree’s expense, a guaranteed issue Medicare supplement plan through a
2 third party administrator, to the extent available.
3

4 G. SICK LEAVE CONVERSION TO HEALTH RETIREMENT ACCOUNT

5
6 The Company shall establish a Health Reimbursement Account (“HRA”) for eligible
7 TWU/IAM Association represented retirees who:

8
9 1. Meet the retirement criteria of the 65-point plan or equivalent policy and retire from
10 the Company;

11
12 and

13
14 2. Gives the Company at least four (4) months’ advance notice of the employee’s
15 intent to retire.
16

17 For each such eligible retiree, the Company will credit to a notional HRA account the
18 value of the eligible retiree’s accumulated unused sick leave hours at the time of
19 retirement multiplied by the 50% of the hourly rate of the retiree at the time of retirement.
20 The HRA account credits may be used for qualified retiree medical expenses for any
21 qualified retiree medical plan. The HRA account credits may only be used to reimburse
22 the retiree for unreimbursed, substantiated, qualified medical expenses of the retiree
23 and/or eligible dependents up to the retiree’s HRA account credit balance.
24

25 The HRA must comply with all applicable laws and regulations. The Company will be
26 responsible for drafting and maintaining the HRA plan documents(s), and will have
27 discretion over all plan-related items not addressed in the Agreement. The Company
28 shall have the right to amend any provision of the HRA plan that is required by applicable
29 law, or is necessary to maintain the tax qualified status of the plan.
30

31 H. LIFE INSURANCE - Retirees

32
33 The Company is not required to maintain, fund, or provide for retiree life insurance
34 benefits.

ARTICLE 29 - BENEFITS

1 I. NON-INCORPORATION

2
3 Notwithstanding the terms described above, the Company's employee benefits plans are
4 not incorporated in this Agreement.

5
6 J. TOOL BOX INSURANCE

7
8 The Company will provide and pay for insurance coverage against the loss by fire or theft
9 of complete tool box and contents owned by mechanic employees while such is on
10 Company premises for use in connection with work and while in transit to or while being
11 used in connection with a field service assignment. Employees covered under this
12 provision must provide a complete tool inventory and valuation. It shall be the employee's
13 responsibility to provide tool inventory updates on any additions or deletions in order to
14 maintain a current summary at all times.

15
16 This insurance coverage shall be provided with a maximum coverage of:

- 17
18 \$5,000-----Rollaway, Tool Box, Tote Tray and Contents
19 \$2,000-----Tool Box, Tote Tray and Contents
20 \$1,000-----Tote Tray and Contents

21
22 with a one hundred dollar (\$100.00) deductible provision.

23
24 Losses under the policy will be settled by the Company through its insurance company
25 with the employee bearing the one hundred dollars (\$100.00) deductible. Recovery of
26 losses will be provided by either a new comparable tool and box replacement or cash
27 reimbursement after discussion with the employee.

28
29 K. BOMB SCARE INSURANCE

30
31 No employee will be required to participate in a bomb scare investigation against his
32 wishes. The Company will provide death and disability insurance coverage as set forth
33 below, applicable if the employee suffers death or permanent disability while on duty and
34 a bomb explosion is the proximate cause of such death or disability.

- 35
36 Death \$500,000
37 Total Permanent Disability \$500,000
38 Total Loss of Two members \$500,000
39 Total Loss of One member \$250,000

40
41 Member, as used herein, is defined as an arm, leg or eye.

ARTICLE 29 - BENEFITS

1 L. TRAVEL WHILE ON WORK ASSIGNMENT

2
3 Employees who are required to travel at the discretion of the Company to a base or
4 location other than their assigned base in the performance of their work shall be covered
5 by one hundred thousand dollars (\$100,000) of life insurance coverage for accidental
6 death from any cause. Said coverage shall commence from the time he leaves his
7 assigned base and shall continue in force until he returns to his assigned base at the
8 completion of such travel.

9
10 M. TEST FLIGHT INSURANCE

11
12 Employees who are required to participate in test flights shall be covered by a standard
13 aviation accident insurance policy with a death benefit of not less than one hundred fifty
14 thousand dollars (\$150,000) paid by the Company.

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ARTICLE 30 - RETIREMENT

1 A. The following represents the terms of the retirement benefits for eligible TWU/IAM
2 Association represented employees, and this coverage replaces and supersedes
3 previous retirement provisions.
4

5 For purposes of this Retirement Article:
6

- 7 1. The term "IAM Designated Employees" shall mean all eligible employees
8 participating in the IAM National Pension Fund immediately prior to DOR
9 regardless of location and all eligible employees hired by the Company on
10 or after DOR at a base, station, or location designated by the Association
11 as an IAM location, irrespective of future relocation, and in a job
12 classification covered by any TWU/IAM Association Agreement.
13
- 14 2. The term "TWU Designated Employees" shall mean all employees eligible
15 to receive employer matching contributions under the American 401(k) Plan
16 immediately prior to DOR and all eligible employees hired by the Company
17 on or after DOR at a base, station, or location designated by the Association
18 as a TWU location, irrespective of future relocation, and in a job
19 classification covered by any TWU/IAM Association Agreement.
20

21 B. IAM National Pension Fund
22

- 23 1. All IAM Designated Employees will be eligible to participate in the IAM
24 National Pension Fund. For each IAM Employee participating in the IAM
25 National Pension Fund, the Company will contribute the following
26 Contribution Rate for each hour for which employees in all job classifications
27 covered by this Agreement are entitled to receive pay under this Agreement:
28

| DOR Pension Rates, 2% in out years rounded to nearest .05 | DOR | DOR +12 mos. | DOR +24 mos. | DOR +36 mos. | DOR +48 mos. |
|--|------------|---------------------|---------------------|---------------------|---------------------|
| AMT, Inspector, MOC, Planner, QAC, Tech Doc | \$2.95 | \$3.00 | \$3.05 | \$3.15 | \$3.20 |
| Utility | \$1.65 | \$1.70 | \$1.70 | \$1.75 | \$1.80 |
| MTS | \$3.30 | \$3.35 | \$3.45 | \$3.50 | \$3.60 |
| Stock Clerk / MLS | \$1.90 | \$1.95 | \$2.00 | \$2.00 | \$2.05 |
| Full Time Fleet | \$1.70 | \$1.75 | \$1.75 | \$1.80 | \$1.85 |
| Part Time Fleet | \$1.25 | \$1.30 | \$1.30 | \$1.35 | \$1.35 |

- 29 2. For purposes of this IAM National Pension Fund section of this Retirement
30 Article, the term Employer shall mean the Company.
31
- 32 3. The Company shall continue contributions for all contractually obligated
33 time paid in accordance with the IAM National Pension Fund Standard

ARTICLE 30 - RETIREMENT

1 Contract Language, up to a maximum contribution for each employee of
2 forty (40) hours per week.
3

4 4. The Employer adopts and agrees to be bound by, and hereby assent to, the
5 IAM National Pension Fund Amended and Restated Trust Agreement,
6 including all amendments thereto, whether adopted before or after the date
7 of this Agreement (“Trust Agreement”), which is incorporated into this
8 Agreement and made a part hereof, and the Plan rules adopted by the
9 Trustees of the Fund (the “Trustees”) in establishing and administering the
10 foregoing Plan pursuant to the Trust Agreement, as currently in effect and
11 as the Trust and Plan may be amended from time to time.
12

13 5. The parties may increase the Contribution Rate and/or add job
14 classifications or categories of hours for which contributions are payable.
15 The parties acknowledge that the Trustees may terminate the participation
16 of the employees and the Employer in the Plan for reasons including, but
17 not limited to, if the successor collective bargaining agreement fails to renew
18 the provisions of this pension Article or reduces the Contribution Rate.
19

20 6. Except for the June 12, 2019 Pension Fund LOA and the Standard Contract
21 Language, this Article contains the entire agreement between the parties
22 regarding pensions and retirement under this Plan and any contrary
23 provisions in this Agreement shall be void. No oral or written modification of
24 this Agreement shall be binding upon the Fund unless agreed to in writing
25 by an authorized representative of the Fund. No grievance procedure,
26 settlement or arbitration decision with respect to the Company’s obligation
27 to contribute shall be binding upon the Fund, unless the Fund has agreed
28 to be a party to such proceeding.
29

30 C. American Airlines, Inc. 401(k) Plan

31
32 1. All eligible TWU/IAM Association represented employees will participate in
33 the American Airlines, Inc. 401(k) Plan (“American 401(k) Plan”), a tax
34 qualified, defined-contribution retirement plan under Section 401(a) of the
35 Internal Revenue Code (“Code”), with a cash or deferred arrangement that
36 qualifies under Section 401(k) of the Code, that complies with the
37 requirements of Section 404(c) of the Employee Retirement Income
38 Security Act of 1974, as amended (“ERISA”), or an equivalent plan.
39

40 2. Employer Contributions

41
42 The Company, subject to any laws limiting the amount of benefit which can
43 be contributed to or accrued under a plan qualified under Section 401(a) of
44 the Internal Revenue Code of 1986, as amended from time to time, and its
45 regulations, will provide contributions under the American 401(k) Plan, as
46 follows:

ARTICLE 30 - RETIREMENT

- 1
2 (i) Employer Contributions for IAM Designated Employees: IAM
3 Designated Employees shall be eligible to receive Employer
4 Matching Contributions in an amount equal to one hundred percent
5 (100%) of the member's Employee Before-Tax Contributions and
6 Employee Designated Roth Contributions up to a maximum
7 Employer Matching Contribution equal to four percent (4.0%) of their
8 Eligible Compensation, as defined in the American 401(k) Plan.
9
- 10 (ii) Employer Contributions for TWU Designated Employees: TWU
11 Designated Employees shall receive Non-Elective Employer
12 Contributions in an amount equal to five percent (5%) of their Eligible
13 Compensation, as defined in the American 401(k) Plan. TWU
14 Designated Employees will also be eligible to receive Employer
15 Matching Contributions in an amount equal to one hundred percent
16 (100%) of the member's Employee Before-Tax Contributions and
17 Employee Designated Roth Contributions up to a maximum
18 Employer Matching Contribution equal to four percent (4.0%) of
19 Eligible Compensation, as defined in the American 401(k) Plan.
20

21 3. Eligibility for Employer Contributions
22

- 23 (i) Employer Matching Contributions: All Association represented
24 employees must satisfy the one (1) year service requirement, as
25 defined in the American 401(k) Plan, to be eligible to receive
26 Employer Matching Contributions in the American 401(k) Plan.
27 Provided, however, that all Association represented employees
28 who are on the American Airlines System Seniority List as of DOR
29 and who are not eligible to receive Employer Matching
30 Contributions as of DOR shall have all prior service with the
31 Company and/or AAG recognized for purposes of determining
32 eligibility for post-DOR Employer Matching Contributions to the
33 American 401(k) Plan.
- 34
- 35 (ii) Non-Elective Employer Contributions: All TWU Designated
36 Employees must satisfy the one (1) year service requirement, as
37 defined in the American 401(k) Plan, to be eligible to receive Non-
38 Elective Employer Contributions in the American 401(k) Plan.
39 Provided, however, that all TWU Designated Employees who are on
40 the American Airlines System Seniority List as of DOR and who are
41 not eligible to receive Non-Elective Employer Contributions as of
42 DOR shall have all prior service with the Company and/or AAG
43 recognized for purposes of determining eligibility for post-DOR Non-
44 Elective Employer Contributions to the American 401(k) Plan.
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ARTICLE 30 - RETIREMENT

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- 4. Vesting or Employer Contributions
 - (i) Employer Matching Contributions: All Association employees with two (2) or more years of vesting service, as defined in the American 401(k) Plan, shall be one hundred percent (100%) vested in their Employer Matching Contributions. Provided, however, that all Association represented employees who are on the American Airlines System Seniority List as of DOR and who are not vested in their Employer Matching Contributions as of DOR shall have all prior service with the Company and/or AAG recognized for purposes of determining vesting for post-DOR Employer Matching Contributions to the American 401(k) Plan.
 - (ii) Non-Elective Employer Contributions: All TWU Designated Employees with two (2) or more years of vesting service, as defined in the American 401(k) Plan, shall be one hundred percent (100%) vested in their Non-Elective Employer Contributions. Provided, however, that all TWU Designated Employees who are on the American Airlines System Seniority List as of DOR and who are not vested in their Non-Elective Employer Contributions as of DOR shall have all prior service with the Company and/or AAG recognized for purposes of determining vesting for post-DOR Non-Elective Employer Contributions to the American 401(k) Plan.
- 5. The Company reserves the right to amend the American 401(k) Plan, provided that no amendment may diminish the American 401(k) Plan benefits memorialized herein unless required by law.
- 6. The American 401(k) Plan is not incorporated in this Agreement.

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

- 1 A. It shall be a condition of employment that all current employees represented by the
2 Union shall remain members in good standing of the Union, or in lieu thereof pay
3 a monthly service charge to the Union. It shall be a condition of employment that
4 all new employees hired after the effective date of this Agreement and represented
5 by the Union shall become a member of the Union, or pay service charges in lieu
6 thereof, according to the Union’s designation of the TWU or the IAM as the
7 organization handling representation responsibilities on behalf of the Union at a
8 given work location. The Union has provided the Company with a listing of
9 Company stations or locations where the TWU is designated to handle
10 representation of employees covered by this Agreement and where the IAM is
11 designated to handle representation of employees covered by this Agreement. If
12 the designation of representation responsibilities at current stations or locations is
13 adjusted in the future or a designation is made for a new work station or location,
14 the Association will promptly advise the Company of any such changes.
15
- 16 B. The obligation of new employees represented by the Union to acquire and maintain
17 membership in the Union, or pay service charges in lieu thereof, shall commence
18 sixty (60) days after the beginning of an employee’s employment under this
19 Agreement.
20
- 21 C. The Company will supply the Union with the name, personnel number, and work
22 location of any new employee or transferee covered under this Agreement within
23 fifteen (15) days of the actual report date of said employee. The Company will
24 allow the Union an opportunity during orientation to meet with new employees and
25 transferees regarding union matters.
26
- 27 D. An employee represented by the Union shall not be required to acquire or maintain
28 membership in the Union, or pay a service charge in lieu thereof, if:
29
- 30 1. Membership in the Union is not available to the employee upon the same
31 terms and conditions that are generally applicable to any other employee
32 covered by this Agreement; or
33
- 34 2. The employee’s membership in the Union was denied or terminated for any
35 reason other than the employee’s failure to pay periodic dues, initiation fees,
36 and assessments (not including fines and penalties) that are uniformly
37 required as a condition of acquiring or retaining membership in the Union.
38 For the purposes of this section, dues, fees, and assessments shall be
39 deemed “uniformly required” if they are required of all employees in the
40 same work classification at the same time in the same Local/Lodge.
41
- 42 E. The following provisions apply to employees represented by the Union who leave
43 employment under this Agreement.
44

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

- 1 1. Employees who retain seniority under this Agreement and who are regularly
2 assigned or transferred to employment not covered by this Agreement, are
3 on leave, or are furloughed, will not be required to maintain membership or
4 provide financial support as provided in Paragraph A of this Article, but they
5 may do so at their option. Should such employee return to any service
6 covered by this Agreement, he shall as a condition of continued
7 employment become and remain a member in the Union, or pay service
8 charges within thirty (30) days from the date of return to service.
9
- 10 2. The seniority status and rights of employees who serve in the Armed Forces
11 shall not be terminated by reason of any provisions of this Agreement, but
12 such an employee, upon resumption of employment shall as a condition of
13 continued employment become and remain a member of the Union, or pay
14 service charges within sixty (60) days from the date of return to service.
15
- 16 3. If an employee has resigned from the Company and is subsequently
17 rehired, he shall as a condition of continued employment become and
18 remain a member of the Union, or pay service charges within sixty (60) days
19 from the date of rehire.
20

21 F. For the purpose of this Agreement, membership in good standing means that the
22 employee represented by the Union is a member of the Union and is not more than
23 sixty (60) days in arrears in the payment of initiation fees, assessments, and
24 membership dues. Alternatively, an employee may not be more than sixty (60)
25 days in arrears in the payment of service charges.
26

27 G. When an employee becomes delinquent or not in good standing within the
28 meaning of Paragraph E above, the employee shall be subject to discharge in
29 accordance with the following procedures. Any discharge under the terms of this
30 Article will be based solely upon the failure of the employee to pay initiation fees,
31 assessments, membership dues, or service charges, as specified herein, and not
32 because membership in the Union was denied or terminated upon any other
33 ground.
34

- 35 1. With respect to any discharge under this Article, the internal policy and
36 procedures of the TWU and/or the IAM shall apply. Pursuant to those
37 procedures, the employee shall be provided with notice of any delinquency
38 in payment, the specific amount of payment required, and instructions for
39 making payment within thirty (30) days of the date of the notice. If the
40 required payment is still not received within thirty (30) days following the
41 initial notice, a final notice of delinquency shall be issued, advising that
42 termination of employment will be sought unless full payment in the
43 specified amount is received within thirty (30) days of the date of the final

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

1 notice. No payments will be accepted after the expiration of the final thirty
2 (30) day notice period. After the expiration of the final notice period, a
3 termination request will be sent to the Company's Vice-President – Labor
4 Relations or his/her designee, with a copy to the employee, providing
5 appropriate documentation that the employee has failed to make payments
6 as required under this Article. The Vice-President – Labor Relations or
7 his/her designee will then take all necessary and proper steps to discharge
8 the employee from the Company's service.
9

10 2. An employee discharged by the Company under the provisions of this
11 Article shall be deemed to have been discharged for non-payment of dues
12 or union financial support, and a notation so made on his employment
13 record.
14

15 3. An employee who believes that the provisions of this Article pertaining to
16 him have not been properly interpreted or applied may appeal his discharge
17 directly to a neutral referee within ten (10) days after the notification of
18 discharge. If the parties cannot agree on a neutral referee, a referee will be
19 chosen from a panel supplied by the National Mediation Board. The
20 alternate strike method shall be used with the employee initiating the first
21 rejection. Such final selection of a neutral referee shall be accomplished
22 within ten (10) days after receipt of the list of neutral referees. If the parties
23 have not reached agreement by the alternate strike method within the ten
24 (10) day period, the first name listed on the panel provided by the National
25 Mediation Board shall be designated the neutral referee.
26

27 4. The hearing before the neutral referee will occur as soon as practicable,
28 and the neutral referee will be requested to issue a decision within thirty
29 (30) days after the hearing. The decision of the neutral referee will be final
30 and binding on all parties to the dispute. The fees and charges for such
31 neutral referee will be borne equally by the employee and the Union. Any
32 other fees, charges and costs incurred relative to the hearing by any party
33 (including legal or attorney fees) shall be borne exclusively by the party
34 incurring the fees, charges and costs.
35

36 H. During the life of this Agreement, provided that the Union is still the collective
37 bargaining representative for the employees covered by this Agreement, the
38 Company agrees to deduct from the pay of each employee and remit to the TWU
39 or the IAM, as applicable, membership dues, initiation fees, and assessments, or
40 service charges in lieu thereof, provided that each such employee has voluntarily
41 executed an authorization and assignment form.
42

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

- 1 1. With respect to current employees covered by this Agreement, any
2 authorization and assignment forms previously executed shall continue in
3 full force and effect according to their terms, with American as the successor
4 to US Airways, Inc. for employees who are IAM members or service charge
5 payers.
6
- 7 2. With respect to employees hired after the date of this Agreement, a form for
8 the purpose of Assignment and Authorization for Payment of Dues or
9 Service Charge shall be prepared by the Union and furnished to the
10 Company.
11
- 12 3. When a new employee properly executes the assignment and authorization
13 form, the original copy will be forwarded to the Company's payroll
14 department. Any form which is incomplete or improperly executed will be
15 returned to the Union.
16
- 17 4. An employee's assignment and authorization may only be revoked after the
18 expiration of one (1) year from the date of signing the authorization and
19 assignment form, or upon the termination of the dues/service charge check-
20 off provisions of this Article. Any notice of revocation must be in writing,
21 signed by the employee, and delivered by certified mail to the TWU Local
22 Union office or the IAM District Lodge office, as applicable.
23
- 24 5. When an Assignment and Authorization form, as specified in this Article, is
25 received by the Company on or before a given payday, deductions will
26 commence with the first regular paycheck following said payday, and will
27 continue thereafter until revoked or cancelled as provided in this Article.
28 The Company will remit to the TWU and the IAM checks in payment of all
29 dues and service charges collected on a given payday on behalf of each,
30 on or as soon after the payday as practicable. The Company remittance will
31 be accompanied by a list of names, personnel numbers, and station
32 numbers of the employees for whom deductions have been made in the
33 particular period, arranged in order of their personnel numbers.
34 Additionally, the remittance will be accompanied by a listing of those
35 employees who are on unpaid leave of absence or furlough, have accepted
36 a position not covered by this Agreement, or have terminated employment
37 with the Company.
38
- 39 6. No dues or service charge deductions will be made from the wages of any
40 employee who has executed an assignment and authorization form and
41 who transfers to a position not covered by this Agreement, is on leave
42 without pay, or is on furlough. Upon return to work in a position covered by
43 this Agreement, deductions will be automatically resumed in accordance

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

1 with the time frame specified in Paragraph E (1) provided that such
2 employee has not revoked his assignment and authorization in accordance
3 with this Article. An employee who resigns or is terminated from the
4 Company will be deemed to have automatically revoked his assignment and
5 authorization and, if reemployed, further deductions will be made only upon
6 the execution of a new assignment and authorization. Provided, however,
7 if an employee is reinstated following a disciplinary discharge, deductions
8 will resume automatically unless the assignment and authorization has
9 been revoked in accordance with this Article.

10
11 7. Deductions for dues and service charges will be made from each paycheck
12 provided there is a balance in the paycheck sufficient to cover the amount
13 after all other deductions authorized by the employee or required by law
14 have been satisfied. In the event of a termination of employment, the
15 obligation of the Company to collect dues and service charges will not
16 extend beyond the pay period in which the last day of work occurs.

17
18 8. Following submission of the assignment and authorization for a newly hired
19 employee, a single flat sum deduction for an initiation fee (if applicable) shall
20 be made from the employee's paycheck, provided that there is a balance in
21 the paycheck sufficient to cover the amount after all other deductions
22 authorized by the employee and required by law have been satisfied.

23
24 9. If sufficient earnings do not remain after other deductions as provided in
25 Paragraphs H (7) and H (8) above, or if there are employees on the payroll
26 that do not have on file with the Company an authorization for deductions
27 as set forth in this Article, the TWU or IAM, as applicable, shall be notified.
28 Notification shall include employee personnel number, name, classification
29 code, department, location and, if applicable, the amount of deduction for
30 each period and total amount for the month. It shall thereafter be the
31 responsibility of the TWU and the IAM respectively to collect amounts owed
32 for which sufficient funds were not available for deduction.

33
34 I. The TWU and the IAM each agree to indemnify the Company and hold it harmless
35 against any and all suits, claims, demands and liabilities, which arise out of or by
36 reason of any action taken or not taken by the Company for the purpose of
37 complying with any provisions of this Article. The Company agrees that in the event
38 it is named as a defendant or charged party in any such action, the Company shall
39 promptly notify the Union. The Union shall maintain the exclusive right to defend,
40 settle, mitigate damages, litigate, and/or take whatever action it deems necessary
41 and proper through attorneys of the Union's choosing and at the Union's cost. If
42 the Company, nevertheless, decides to retain its own counsel, it shall do so at its
43 own cost, and not at the cost of the Union.

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

- 1
2 J. The Company will provide for voluntary employee contribution to the Machinist
3 Non-Partisan Political League (“MNPL”) for IAM members and TWU Committee
4 on Political Education (“COPE”) for TWU members through payroll deduction.
5 Eligibility to participate through the payroll deduction program is restricted to those
6 employees of the Company who are certified by the IAM or TWU to participate in
7 the respective programs in accordance with all requirements under applicable
8 federal and state laws. With respect to current employees covered by this
9 Agreement, any MNPL or COPE authorization and assignment forms previously
10 executed shall continue in full force and effect according to their terms.
11
12 K. “Union” as used in this Article shall mean the TWU or the IAM, as applicable, which
13 together constitute the Association.

ARTICLE 32 - REPRESENTATION

- 1 A. The representation for the effective handling of grievances and disputes between
2 the parties under this Agreement shall be:
3
- 4 1. The Union will be represented by properly designated Union
5 Representatives in each station, department or location. Union
6 Representatives shall be allowed reasonable time required for authorized
7 Union business during working hours, consistent with the needs of the
8 service and shall be compensated for such time at their straight time rate.
9 "Authorized Union business" is that relating to the investigation of
10 grievances, disciplinary action, hearings, and grievance meetings with
11 officials of the Company. The number of representatives, that confer with
12 management at any one time on any issue, including meetings convened
13 under the provisions of paragraph J, will not exceed the number of
14 management employees present plus one (1) additional representative to
15 act in the capacity of a scribe. In the conduct of such authorized Union
16 business, the Union Representative shall notify his supervisor of his desire
17 to leave his work place, the reason therefore, and shall notify his supervisor
18 of his return. When it is necessary for a Union Representative to enter a
19 department other than his own, as a courtesy he shall notify management,
20 if available, of that department.
21
- 22 B. The Company will be represented by an authorized representative at each
23 point/station/location, who will be empowered to settle all local grievances not
24 involving changes in Company Policy or the intent and purpose of this Agreement.
25
- 26 C. The Union and Company will, at all times, keep the other party advised through
27 written notice of any change in authorized representatives.
28
- 29 D. It is understood that officials of either party having responsibilities under this
30 Agreement may delegate those responsibilities to another authorized
31 representative.
32
- 33 E. International Officers, Accredited Representatives, or Local Officers of the Union
34 will, at any time during regular working hours, have access to the premises of the
35 Company where employees are located, for the purpose of investigating
36 grievances for employees covered by this agreement or other matters directly
37 connected with the operation of this Agreement and its procedures for the
38 settlement of any dispute. As a matter of courtesy, notice of an intended visit will
39 be given to the ranking Company official or his designated representative. A visit
40 will be subject to such reasonable regulations as may be made from time to time
41 by the Company, but the Company will not impose regulations that will render
42 ineffective the intent of this provision nor impair the privacy of any conference
43 necessary to accomplish the purpose of the visit.
- 44 F. All hearings will be conducted during regular day shift working hours. Union

ARTICLE 32 - REPRESENTATION

45 officers or representative(s), employee(s), and necessary employee witnesses
46 shall receive their applicable rate of pay while handling grievances or attending
47 hearings.

48
49 1. When the Company conducts an investigation the Union Representative,
50 employee, and necessary employee witnesses, shall receive their
51 applicable rate of pay.

52
53 G. No employee selected as an officer or representative of the Union will be
54 discriminated against for lawful activity on behalf of the Union.

55
56 H. Service records shall be maintained for all employees by the Company and upon
57 resignation or discharge from the service the employee, upon request, will be
58 furnished with a copy of same. In discharge cases, the employee and his Union
59 representative will have access to the personnel records applicable to the case
60 prior to the holding of any hearing.

61
62 I. Union representatives will, upon request of the TWU Local President/IAM General
63 Chairman, be assigned to a fixed shift and days off. The arrangements will be
64 worked out at each station by that Union representative and the local manager.

65
66 J. In meetings for the purpose of investigation of any matter which may eventuate
67 in the application of discipline or dismissal, or when written statements may be
68 required, or of sufficient importance for the Company to have witnesses
69 present, or to necessitate the presence of more than one Company
70 supervisor, or during reasonable cause or post-accident drug/alcohol testing
71 as provided for in this Article, the Company will inform the employee, including a
72 probationary employee, of his right to have Union representation present. If the
73 employee refuses representation, the supervisor's record will reflect his refusal.

74
75 K. At the start of a meeting under the provisions of this Article, the Company will,
76 except in rare and unusual circumstances, indicate the reason that causes the
77 meeting and then provide an opportunity for the employee and his Union
78 Representative to confer for a reasonable period of time. Following that period,
79 the meeting will be reconvened and continue until concluded by the supervisor.

80
81 L. Employees covered by this Agreement who are interviewed by a Company
82 Security Department representative as part of a Security Department
83 investigation may, upon request, have a Union Representative present
84 during the interview. If a local Union Representative is not readily available
85 after the request, the Company's Security Department will not be required to
86 wait for his availability before conducting its interview. However, the employee in
87 that circumstance may request the presence of another Union represented
88 employee (peer witness) to be present. The role of the Union Representative
89 or peer witness will be that of a silent observer only. The Union
90 Representative or peer witness may in no way interfere nor impede the

ARTICLE 32 - REPRESENTATION

- 91 Security Department’s investigation and/or interview.
92
- 93 M. Employees who are required to take a reasonable cause or post- accident
94 drug/alcohol test by the Company may, upon request, have a Union
95 Representative present who shall not suffer loss of pay, as a witness during
96 those parts of the specimen collection process indicated below.
97
- 98 1. In those stations where a local Union Representative is not readily
99 available, the Company will delay the test for up to one (1) hour from the
100 time the employee requests or is notified of his right to Union
101 representation, whichever occurs first, in order to allow the first available
102 representative to be present at the medical facility.
103
- 104 2. If normal travel time to the medical collection facility exceeds one (1)
105 hour, then the one (1) hour waiting period will be extended by the amount
106 of travel time in excess of one (1) hour.
107
- 108 3. Only one (1) Union Representative will be allowed to accompany the
109 employee to the medical collection facility and into the area where the
110 medical collector opens the drug testing kit, completes the relevant
111 paperwork, and secures the kit after completion of the collection process.
112 The Union Representative will be allowed to witness the opening of the
113 collection kit by the collector, the documentation of the chain of
114 custody procedure by the collector and the employee, and the
115 packaging and sealing of the kit for shipment following the collection.
116 The Union Representative will not be allowed to accompany the
117 employee or collector into the restroom.
118
- 119 N. No Union Representative will engage in any activity, which disrupts the
120 collection process. Should the Union Representative engage in disruptive
121 activity, the Union Representative will be required by the Company’s
122 Supervisor to wait in the employee/patient waiting area until the collection
123 process and paperwork has been completed.
124

ARTICLE 33 - GRIEVANCE PROCEDURE

1 A. For the presentation and adjustment of disputes or grievances that may arise, the
2 procedure will be as follows:

3
4 1. Verbal Step

5
6 Any employee or group of employees who believe that they have been unjustly
7 dealt with, or that any provision of this Agreement has not been properly applied
8 or interpreted, may present the complaint or grievance to a representative of the
9 Union, who in turn will discuss the matter with the employee's immediate
10 supervisor, within five (5) days from the time when the employee first has
11 knowledge or should reasonably have had knowledge of the alleged contractual
12 violation that leads to the grievance. The employee's Supervisor will give a verbal
13 decision to the Union Representative within three (3) days of the discussion.
14 Verbal Step decisions are non-precedential.

15
16 Step 1

17
18 If the employee is not satisfied with the verbal decision of the employee's
19 supervisor, the matter, through the Union, must be reduced to writing on a standard
20 grievance form or electronic equivalent, and given to his supervisor or designee
21 within three (3) days from the supervisor's verbal decision. Upon receipt, the
22 employee's supervisor must state in writing his decision and return this form to the
23 Union Representative within five (5) days from the date he receives the grievance.
24 The Union Representative then must forward this grievance form to the Local
25 Grievance Committee.

26
27 Step 2

28
29 If no satisfactory adjustment is reached in Step 1, it may be appealed in writing or
30 electronically through the Union within ten (10) days from the receipt of the Step 1
31 answer to the Department Head designated by the Company or his designee, who
32 shall evaluate the grievance or complaint and render his decision, in writing, in the
33 space provided on the standard official grievance form or electronic equivalent as
34 soon as possible, but not later than ten (10) days following the meeting date.

35
36 The Department Head or his designee shall establish meeting dates each month
37 consistent with the volume of grievances at his level to assure timely resolution or
38 disposition of such grievances.

39
40 When the Company conducts a Step 2 meeting the Union Representative(s),
41 employee, and necessary employee witnesses, shall receive their applicable rate
42 of pay. The Step 2 meetings will be conducted during the regular day shift hours,
43 unless mutually agreed to otherwise.

ARTICLE 33 - GRIEVANCE PROCEDURE

Step 3

If no satisfactory adjustment is reached in Step 2, it may be appealed in writing or electronically through the Union within twenty (20) days after receipt of the Step 2 answer to the Grievance Review Board (GRB). If appealed, the grievance will be reviewed by the GRB or upon request of either party, presented to the GRB. The GRB will consist of four (4) members: the Managing Director of Labor Relations or his designee, one (1) Management designee, and two (2) Union designees. The GRB will meet bi-monthly or sooner if mutually agreed between the parties. The GRB will render a decision in writing to the Union within fourteen (14) days of the meeting date. The meeting will take place at the corporate offices of the Company, or another location if mutually agreed upon, to discuss those grievances, which have not been resolved at the lower steps.

If no satisfactory resolution is reached at the GRB, the grievance and the decision may be appealed to the System Board of Adjustment/Arbitration as set forth in this Agreement, provided, however, said appeal must be submitted within thirty (30) days from receipt of the decision of the GRB or the grievance will be considered to have been withdrawn by the Union.

Time Limits

The time limits set forth in this Article may only be waived by mutual written agreement between the IAM General Chairman or TWU Local President and the Managing Director of Labor Relations, or their designees. Failure of the employee or his Union Representatives to comply with any of the prescribed time limits will withdraw any such grievances from further consideration.

Failure of the Company to answer grievances within the prescribed time limits in Step 1 will automatically move such grievances to Step 2 of the grievance procedure.

Failure of the Company to answer grievances, other than discharge, within the prescribed time limits at Step 2 of the grievance process will result in a one-time monetary penalty of eight (8) hours additional pay to the grievant. Any monetary penalty paid does not cancel or render any judgment regarding the merits of the grievance. In addition to the monetary penalty above, the Union will have the right to move the grievance to Step 3.

- B. An Accredited International Representative of the Union or designated Company official who believes that any provision of this Agreement has not been or is not being properly applied or interpreted which has not yet become the subject of an actual grievance, will have the right, within ten (10) calendar days after such alleged misapplication or misinterpretation has been ascertained, to protest such violation, in writing, to the other party, who will evaluate such protest and render a written decision in fifteen (15) calendar days. If no satisfactory adjustment is

ARTICLE 33 - GRIEVANCE PROCEDURE

1 reached, the grievance and the decision may be directly appealed to the System
2 Board of Adjustment/Arbitration.

3
4 The above provision will apply to IAM General Chairman or TWU Local President
5 with respect to improper application or interpretation of the Agreement affecting
6 a group of employees within the jurisdiction of their Union, a grievance will be filed
7 with the designated representative of the Company and begins at Step 3 of the
8 above procedure.

9
10 C. Discharge & Discipline

- 11
12 1. For incidents that occur within the Technical Operations Organization or the
13 employee's assigned station, no employee who has been in the service of the
14 Company past their applicable probationary period will be disciplined to the extent
15 of loss of pay or discharge without being advised in writing of the charge(s)
16 preferred against him leading to such action. Such notice shall be presented to the
17 employee, with a copy to the Union, not later than five (5) days from the time the
18 employee's Operating Department or Labor Relations learns of the incident, or
19 reasonably should have had knowledge of the incident, upon which such charge(s)
20 is based. If requested, a special hearing will be conducted for loss of pay or
21 discharge determinations.
22
- 23 2. For incidents that occur outside of the Technical Operations Organization or the
24 employee's assigned station, no employee who has been in the service of the
25 Company past their applicable probationary period will be disciplined to the extent
26 of loss of pay or discharge without an investigation being done by the Company.
27 When the Technical Operations Organization becomes aware of the incident, the
28 employee(s) and the Union will be notified within twenty-four (24) hours of when
29 they become aware of such incident. If such incident requires an investigation after
30 the initial discussion with the employee, the employee will be held out of service
31 and compensated for all regularly scheduled hours. The employee will be
32 considered active for all employee benefits, except employee non-revenue travel.
33 Registered passengers are still eligible for travel benefits in accordance with
34 Company policy. At the end of this investigation, the Company will inform the
35 employee, with a copy to the Union, of the results of the investigation and he will
36 be returned to work or subject to discipline, if any. If requested, a special hearing
37 will be conducted for loss of pay or discharge determinations.
38
- 39 3. If an employee is held out of service without pay for any of the following reasons,
40 all other benefits, except employee travel will continue during the investigation.
41 Registered passengers are still eligible for travel benefits in accordance with
42 Company policy.
43
- 44 a. Action constituting a criminal offense, on or off duty.
 - 45
 - 46 b. Refusal or adulteration of an alcohol/drug test or verified positive drug or

ARTICLE 33 - GRIEVANCE PROCEDURE

1 confirmed positive alcohol test from the date on the letter of
2 verification/confirmation.

3 c. Failure to cooperate with an investigation.
4

- 5 4. If after the Company investigation is completed, as described in C (3) (a) (b) or (c)
6 above, and the employee is exonerated of any wrong doing, the employee will be
7 paid for the employee's regularly scheduled hours during the period of time the
8 employee was held out of service without pay. At the end of this investigation, the
9 Company will inform the employee, with a copy to the Union, of the results of the
10 investigation and he will be returned to work or subject to discipline, if any. If
11 requested, a special hearing will be conducted for loss of pay or discharge
12 determinations.
13

14 D. Special Hearing
15

- 16 1. Any employee suspended or discharged from service shall be granted a
17 special hearing, provided a request is made therefore in writing to the proper
18 Vice President of Maintenance or his designee, with a copy to the Union
19 within seven (7) days of the suspension or discharge. The requested
20 hearing will be held within five (5) days of receipt of such request. Within
21 seven (7) days after the close of such hearing, the Company shall render
22 its decision in writing, and shall furnish the employee and his accredited
23 Union Representative a copy thereof. If the decision reached as a result of
24 the hearing is not satisfactory to the Union, the case may then be processed
25 in accordance with the regular grievance procedure, beginning with Step 3.
26

27 For discharge cases, failure of the company to render a decision as
28 prescribed above will result in a monetary penalty equivalent to four (4)
29 hours of pay per day at his former regular hourly rate until the decision is
30 issued. Any monetary penalty paid does not cancel or render any judgment
31 regarding the merits of the grievance. In addition to the monetary penalty
32 above, the Union will have the right to move the grievance to Step 3.
33

- 34 2. In any case where it is found that the suspension or discharge is unjust, the
35 employee will be reinstated with full seniority, paid for time lost and records
36 corrected.
37

38 E. In cases where it is necessary that an employee be warned due to the caliber of
39 his work and/or the general performance of his duties, such warning will be made
40 to the employee in writing with a copy to the Union within five (5) days from the
41 time the employee's Operating Department learns of the incident, or in minor
42 cases verbally in the presence of a Local Union Official, and the employee will be
43 given a reasonable length of time to correct the matter.
44

45 F. Each disciplinary letter issued to an employee covered by this Agreement shall
46 not remain in their personnel record for a period of more than one (1) year.

ARTICLE 34- SYSTEM BOARD OF ADJUSTMENT/ARBITRATION

- 1 A. In compliance with Section 204, Title 2 of the Railway Labor Act, as amended, there
2 is hereby established a System Board of Adjustment/Arbitration (“System Board”) for
3 the purpose of adjusting and deciding disputes or grievances which may arise under
4 the terms of this Agreement, and which are properly submitted to it after exhausting
5 the procedure for settling disputes as set forth under Article 33. However, by mutual
6 agreement, any cases properly referable to the System Board may be submitted to it
7 in the first instance.
8
- 9 B. The System Board shall consist of three (3) members; one (1) selected by the
10 Company, one (1) selected by the Union and one (1) selected for each dispute from
11 a panel of eleven (11) Arbitrators established by mutual agreement between the Union
12 and the Company. After a panel member has served for a period of two (2) years,
13 either party may request that such member be removed from the panel. However, a
14 member of the panel may be removed during the term of this Agreement by mutual
15 agreement between the parties. When a change is made, the parties will select the
16 new panel member(s) by the same method used to select the original panel members.
17
- 18 C. Hearings of the System Board for discipline and discharge cases will be held in the
19 city of the Company’s operating bases where the grievant is located. Hearings of the
20 System Board for contractual interpretation cases will be held in the city of the
21 Company’s corporate headquarters unless otherwise mutually agreed to between the
22 parties.
23
- 24 D. The System Board shall have jurisdiction over disputes between any employee
25 covered by this Agreement and the Company growing out of grievances or out of
26 interpretation or application of any of the terms of this Agreement. The jurisdiction of
27 the Board shall not extend to proposed changes in hours of employment, basic rates
28 of compensation or working conditions covered by this Agreement or any of its
29 amendments.
30
- 31 E. The Board shall consider any dispute within the System Board's jurisdiction submitted
32 to it by the Union or by the Company’s Chief Operating Officer or his authorized
33 representative, when such dispute has not been previously settled in accordance with
34 the terms of this Agreement.
35
- 36 F. All disputes properly referred to the Board for consideration shall be addressed to the
37 Board Members.
38

39 Each case submitted shall show:

- 40 1. Question or questions at issue;
41 2. Statement of facts;
42 3. Position of employee or employees;
43 4. Position of Company.
44

45 When possible, joint submissions will be made, but if the parties are unable to agree
46 upon a joint submission, then either party may submit the dispute and its position to

ARTICLE 34- SYSTEM BOARD OF ADJUSTMENT/ARBITRATION

1 the Board. No matter shall be considered by the Board, which has not first been
2 handled in accordance with the appeal provisions of this Agreement, including the
3 rendering of a decision thereon by the Chief Operating Officer of the Division or his
4 duly designated representatives.
5

6 G. Upon receipt of notice of the submission of a dispute, the parties shall agree on a date
7 for the hearing, or if at least two (2) members of the Board consider the matter of
8 sufficient urgency and importance then at such earlier date and at such place as the
9 parties shall agree upon, but not more than thirty (30) days after such request for
10 meeting is made.
11

12 H. An employee covered by this Agreement may be represented at System Board
13 hearings by a person(s) designated by him and the Company may be represented by
14 a person(s) designated by it. Evidence may be presented both orally and in writing.
15 Individual members of the System Board may, summon any witnesses who are
16 employed by the Company and who may be deemed necessary by the parties to the
17 dispute.
18

19 I. The decision of the System Board shall be rendered within thirty (30) days after the
20 close of the hearing. A majority vote of the members of the System Board shall be
21 necessary to make a decision. The decisions will be final and binding upon the
22 Company, the Union and the grievant(s).
23

24 J. The time limits specified in this Article may be extended by mutual agreement between
25 the parties to this Agreement.
26

27 K. Nothing contained in this Article will be construed to limit, restrict, or abridge the rights
28 or privileges accorded either to the employees, the Company, or their duly accredited
29 representatives under the provisions of the Railway Labor Act, as amended.
30

31 L. The System Board shall maintain a complete record of all matters submitted to it for
32 consideration, and of all findings and decisions made by it.
33

34 M. Each of the parties will assume the compensation, travel expense and other expenses
35 of the System Board members selected by them.
36

37 N. Each of the parties will assume the compensation, travel expense and other expenses
38 of the witnesses called or summoned by them. A witness who is an employee of the
39 Company shall receive free round trip transportation over the Company system, so far
40 as space is available from the point of duty or assignment to the point at which he
41 must appear as a witness, to the extent permitted by law.

ARTICLE 34- SYSTEM BOARD OF ADJUSTMENT/ARBITRATION

- 1 O. The designated Company member and Union members, acting jointly, shall have the
2 authority to incur such other expenses as, in their judgment, may be deemed
3 necessary for the proper conduct of the business of the System Board, and such
4 expenses shall be borne one-half (1/2) by each of the parties. Company and Union
5 members will be granted necessary leaves of absence for the performance of their
6 duties as System Board members. Board members shall be furnished free round trip
7 transportation over the Company system so far as space is available for the purpose
8 of attending meetings of the System Board, to the extent permitted by law.
9
- 10 P. A System Board member shall be free to discharge his duty in his capacity as a
11 System Board member in an independent manner without fear that his individual
12 relations with the Company or with the Union may be affected in any manner by any
13 action taken by him in good faith.

ARTICLE 35 – GENERAL

- 1 A. The Company agrees that there shall be no established maximum age limit in the
2 hiring of employees.
3
- 4 B. When the Maintenance Training Department is required by the Company to conduct
5 training on new equipment or technology the Company will schedule required
6 employees for necessary training, as determined by the Company, related to the new
7 equipment or technology prior to assigning such employee to deliver the training.
8
- 9 C. The Company will, within ninety (90) days of ratification and at local orientations of
10 new employees, provide each employee covered by this Agreement with a copy of the
11 Agreement printed in a spiral bound copy.
12
- 13 D. Any material changes to Company policies that may be the basis for discipline will
14 be provided to the Association leadership in advance of implementation. Information
15 may be provided electronically to the Association and may be electronically posted
16 for employees.
17
- 18 E. The Company will provide the designated TWU/IAM representatives electronic
19 access to Company manuals, publications, and associated documents including
20 revisions expressly referred to in the Agreement.
21
- 22 F. The Company will provide parking for employees at their work location and pay
23 monthly parking and fees as assessed by the appropriate authority. This provision will
24 not apply to replacement charges to employees for parking decals, stickers, gate keys,
25 or similar items.
26
- 27 G. When bus transportation to and from employee parking facilities is recognized by the
28 Company as an integral part of the employee parking arrangements that
29 transportation will be at Company expense.
30
- 31 H. Airport parking passes may be made available to Maintenance Training Specialists
32 required to travel. In instances where parking passes are available, reimbursements
33 for parking expenses will not be made. In cases where parking passes are not
34 available, employees will be reimbursed for reasonable parking expenses.
35
- 36 I. Maintenance Training Specialists will be provided business cards within thirty (30)
37 days of the completion of their probationary period.
38
- 39 J. It is the Company's intent to continue the cooperative relationship between the
40 Company's Employee Assistance Program (EAP) and the Union Employee
41 Assistance Programs (UEAP). The Mechanic & Related and Stores Association will
42 appoint two (2) full time UEAP Directors, who will be paid by the Company.
43
- 44 K. An employee's first confirmed positive drug and/or alcohol test will not automatically
45 result in termination.
46

ARTICLE 35 – GENERAL

- 1 L. All orders to and requests from an employee involving transfers, promotions,
2 demotions, layoff, recall, leaves of absence, or anything affecting his pay will be in
3 writing.
4
- 5 M. An employee who permanently transfers at his own request to another classification
6 of work as provided in any other Agreement that has reciprocating language will
7 continue to receive his same hourly rate but, in no event, will his hourly rate exceed
8 the maximum rate for the classification to which he transferred.
9
- 10 If his hourly rate at the time of such transfer is not the same as any regular rate
11 per hour for the classification to which he transferred, he will immediately
12 receive the nearest higher regular rate per hour for such classification.
13 Thereafter, the employee shall progress on the normal progression scale in
14 the new classification. In the case of a transfer from a higher to a lower
15 classification caused by a reduction in force under this Agreement, the above
16 rules will apply.
17
- 18 N. This Agreement may not be amended or supplemented except by a written Letter of
19 Agreement signed by both the Vice President or Managing Director of Labor Relations
20 or their designee on behalf of the Company and the Chair and Co-Chair of the
21 Association or their designees.
22
- 23 O. The Labor Advisory Committee will include a minimum of two (2) representatives
24 designated by the Association for the purpose of addressing issues of common
25 interest among all employees at the Company.
26
- 27 P. When an employee is scheduled for an O.S.H.A. hearing exam outside of his regular
28 shift, he will be paid for the time spent outside of his regular shift as if it were time
29 spent at his regular work, and overtime rates would apply, if applicable.
30
- 31 Q. To the extent the Company, Union, and FAA maintain an ASAP or similar program,
32 employees covered by this Agreement will be eligible to participate.
33
- 34 R. The Company will allow the Union an opportunity, during local orientation, to meet
35 with new employees and transferees regarding Union matters.
36
- 37 S. An employee who appears as a witness in a legal proceeding at the request of the
38 Company will be paid during witness service.
39
- 40 T. An employee who is compelled by subpoena to testify in any other legal proceeding,
41 will be allowed time off to attend such proceedings. An employee compelled to testify
42 in any legal proceeding (except those against the Company), may at his option, use
43 any compensated time off (excluding block vacation and sick) to make up his wages
44 for time missed when attending such proceedings.
45
46

ARTICLE 35 – GENERAL

- 1 U. The Company will promptly notify the employees and the Union of the use of any
2 material, equipment, or procedure known to be hazardous to employees exposed
3 and the known procedures to control the hazards via a Safety Data Sheet (SDS).
4 The Company will promptly provide the Union with the results of any management
5 or government health and safety survey concerning the employees represented by
6 the Union.
7
- 8 V. When the Company is made aware, by the manufacturer or distributor of a product
9 recall or equipment recall, the Company will take appropriate action to ensure the
10 safety of its employees. The Company will also notify the Union of the issue as soon
11 as possible and of any subsequent action that is taken.
12
- 13 W. The Company will make every reasonable effort to provide necessary shipping
14 containers and transportation for all materials and equipment required for instruction of
15 any class. While it is not the intent of the company to require an employee to personally
16 transport these items, in the event that circumstances require an employee to transport
17 these items, he will be reimbursed for any reasonable expenses incurred.
18
- 19 X. The Company will provide employees reasonable preparatory time for the study of
20 subject material prior to instructing the material for the first time and/or prior to
21 instructing a course the employee has not taught within the past six (6) months.
22
- 23 Y. Employees who resign will give the Company two (2) weeks' notice of resignation in
24 writing. The Company may, at its option, give the employee two (2) weeks of pay at
25 his base hourly rate.
26

ARTICLE 36 UNIFORMS

- 1 A. Employees in the Maintenance Training Specialist (MST) classification will be
2 required to comply with the Company business casual dress code unless both
3 the Union and the Company mutually agree to modifications. An employee may
4 wear the standard TWU, IAM, or Association insignia or pin on any work clothing or
5 hat.
6
- 7 1. MTS shall be issued, upon request, six (6) pairs of AMT style uniform slacks, six
8 (6) American Airlines Maintenance Training Logo Shirts, and a Company hat.
9 Shirts can be selected from available styles and colors.
10
- 11 2. Employees shall be furnished the following inclement weather gear: A jacket
12 (three-in-one) and rain gear (top and bottom) at no cost to the employee.
13
- 14 3. Upon request, local management will launder or replace Company provided
15 inclement weather gear that has been chemically soaked while in the field.
16
- 17 4. Articles of clothing not provided by the Company which are damaged in the
18 performance of their work will be repaired or replaced by the company at no cost to
19 the employee.
20
- 21 5. The Company shall replace Company issued clothing and inclement weather gear
22 based on appearance and wear. The Company shall not be responsible for
23 replacing items damaged by negligence or misuse by the employee.
24
- 25 6. Employees must return to the Company, inclement weather gear purchased by the
26 Company upon separation of employment or transfer out of the bargaining unit.
27
- 28 B. Employees shall not be required to wear neckties when working in the vicinity of
29 aircraft or equipment.

ARTICLE 37 – ASSOCIATION BULLETIN BOARDS

- 1 A. The Company will provide locked and secured bulletin boards at each station/location
2 consistent with the practice we have today, where employees are employed, marked
3 Transport Workers Union of America, AFL-CIO, International Association of Machinist,
4 AFL-CIO, and the appropriate Local/Lodge number, for the posting of official notices
5 of Union activities not inconsistent with the Railway Labor Act, as amended. Notices
6 will bear the signature of an officer of the Union and will not contain anything of a
7 defamatory or personal nature attacking the Company or its representatives. No
8 political circulars, propaganda or advertisements will be placed on these bulletin
9 boards. The Company will not oppose the Union's posting of any bulletins offering
10 benefits provided by any insurance company sanctioned by the Union on the bulletin
11 boards for employees covered under this agreement.
12
- 13 B. Bulletin boards will be located in areas that will be easily accessible to employees in
14 each area as agreed to between the parties.

ARTICLE 38 - NO STRIKE - NO LOCKOUT

- 1 A. It is understood and agreed that the Company will not lock out any employees covered
2 hereby, and the Union will not authorize or take part in any strikes, sit downs,
3 slowdowns, or picketing of Company premises during the life of this Agreement until
4 the procedures for settling disputes as provided herein and provided by the Railway
5 Labor Act, as amended, have been exhausted. The Company will not require the
6 employees to cross picket lines of the Company's employees legally established
7 under contractual provisions and the Railway Labor Act on or in front of the premises.
8 The individual or concerted refusal to pass such picket lines shall not constitute
9 grounds for discipline, discharge, lay-off, or be considered a violation of this
10 Agreement.
11
- 12 B. The Company shall not perform "Struck Work" of Wholly Owned Carriers. "Struck
13 Work" is Mechanic and Related (and Stores) work traditionally and regularly
14 performed by a Wholly Owned Carrier where and during the period the mechanic and
15 related (and Stores) employees of that Wholly Owned Carrier are engaged in a lawful
16 strike, and where the Company has not previously performed the work in question.
17 There shall be no prohibition against a concerted refusal of employees of the
18 Company to perform "Struck Work". Moreover, the Company will not hire employees
19 of Wholly Owned Carriers to perform Mechanic and Related (and Stores) work at the
20 Company during a period when the Company's Mechanic and Related (and Stores)
21 employees are engaged in a lawful strike.

ARTICLE 39 – RECOGNITION OF RIGHTS AND COMPLIANCE

- 1 A. The Union recognizes that the Company will have sole jurisdiction of the management
2 and operation of its business, the direction of its working force, the right to maintain
3 discipline and efficiency in its hangars, stations, shops, or other places of employment,
4 and the right of the Company to hire, discipline, and discharge employees for just
5 cause, subject to the provisions of this Agreement. It is agreed that the rights
6 enumerated in this Article will not be deemed to exclude other preexisting rights of
7 management not enumerated which do not conflict with other provisions of this
8 Agreement.
9
- 10 B. Except for instructing employees and assisting in experimental work, supervisory
11 personnel will perform no work that is covered by this Agreement. Management
12 employees may assign and/or direct the work of covered employees where Crew
13 Chiefs are not readily available.

ARTICLE 40 – RETIREMENT BENEFIT

- A. The Company has maintained a retirement plan for the employees for a number of years. The full text of “The Retirement Benefit Plan of American Airlines, Inc. for Employees Represented by the Transport Workers Union of America, AFL-CIO” (successor to “The American Airlines, Inc. Retirement Benefit Plan for Maintenance and Related Employees”) (“Plan”) is on file with the Company and is available to the employees in accordance with government regulations. The Plan has been amended to enhance and clarify benefits over time. The Plan is frozen effective 11:59 p.m. on October 31, 2012.
- B. The following changes to the Plan were made by Letter dated 08/09/80.
- a. For an employee member who was first eligible to join the Plan prior to January 1, 1956, credited service will be counted from the January 1st or July 1st following his or her completion of one year of Company service.
 - b. For the employee member who was first eligible to join the Plan between January 1, 1956 and April 1, 1978, credited service will be counted from the January 1st or July 1st following his or her completion of one year of Company service and the attainment of age twenty-five (25).
 - c. For the employee member who was first eligible to join the Plan April 1, 1978 or later, credited service will be counted from the first of the month coincident with or next following his or her completion of one year of Company service.
 - d. After December 31, 1976, credited service will not include periods of unpaid hours in excess of one hundred eighty (180) hours in a calendar year. A leave of absence for Union business for which the employee member has been paid by the Union will be counted as credited service for the Plan.
- C. The following changes to the Plan were made by Letter dated 08/01/85.
- a. Effective for employees who are on the active payroll on September 1, 1985, Credited Service under the Retirement Benefit Plan will include any periods of employment during which an employee would have accrued Credited Service if the age 25 eligibility restriction had not existed in prior years. Credited Service will be counted from the January 1st or July 1st following completion of one (1) year of Company service.
 - b. For purposes of the preceding paragraph, "on the active payroll" means actually at work. It will also include employees who retire from the active payroll in the calendar month preceding September 01, 1985, those who are on a paid sick or vacation period, on an overage leave, or on a Union leave on September 01, 1985. It does not include employees who are on a personal leave of

ARTICLE 40 – RETIREMENT BENEFIT

absence, unpaid sick leave, or other unpaid absence from work on September 01, 1985, unless they actually return to work.

- D. The following changes to the Plan were made by Letter(s) dated 05/05/89.
- a. A new vesting schedule will apply to employees who perform at least one hour of service for which they are paid on or after January 1, 1990.
 - b. The new vesting schedule will provide that such employees will become 100% vested after completing five years of vesting service as defined in the plan. Prior to completing five years of vesting service, employees will have 0% vested benefits.
 - c. Rules for counting vesting service and for applying breaks in service remain unchanged from the current plan.
 - d. The Company agreed to retroactively credit all pensionable hours worked past age 65 for TWU represented employees who retire from the active payroll after January 1989.
- E. The amendments covered in Article 40(e) will be applicable only for those members classified as "Maintenance & Related", who are on active payroll or on an approved leave of absence with recall rights as of 03/01/01 and whose benefits commence on or after the first day of the month following 03/01/01.

a. Final Average Compensation

The compensation used for calculating a member's retirement benefit will be the average of the highest forty eight (48) consecutive months of pay out of the one hundred and twenty (120) consecutive months of pay preceding the date of retirement. The definition of the compensation used to determine the forty- eight (48) and one hundred and twenty (120) month periods is unchanged. Various formulas exist for benefits, e.g., $1.667 \times \text{Final Average Earnings} \times \text{Years of credited service}$, which are also unchanged.

b. Eligibility For Benefits – Early Retirement

A member will be eligible for early retirement on or after attaining the earlier of:

- i. age 55 and fifteen (15) years of credited service; or
- ii. age 60 and ten (10) years of credited service.

c. Early Retirement Benefits

ARTICLE 40 – RETIREMENT BENEFITS

1 Pension benefits determined as of early retirement will be reduced 3% for each
2 year that the member is less than age 60.
3

4 F. After October 31, 2012, no further benefits will accrue under the Plan. Benefits
5 for current employees who are participants in the Plan will be determined based on their
6 pension accrual calculated as of October 31, 2012, and no new participants will be
7 added to the Plan after October 31, 2012. This pension freeze will not result in the loss
8 of any pension benefits accrued through October 31, 2012. Service performed after
9 October 31, 2012, will not be counted for any purpose except as otherwise required by
10 law. The benefits accrued as of October 31, 2012, will remain obligations of the Plan
11 and its related trust on behalf of existing Plan participants and will be paid in
12 accordance with the terms of the Plan.
13

LETTERS OF MEMORANDUM – 1 – NEW HIRE CONSIDERATION

1 RE: NEW HIRE CONSIDERATION BETWEEN AGREEMENTS

2

3 February 13, 2018

4

5 Tim Klima

6 Airline Coordinator

7 Transportation Department IAMAW

8

9 Mike Mayes

10 Air Division Director

11 Transport Workers Union of America

12

13 Re: New Hire Consideration Between Agreements

14

15 This will confirm our understanding reached during negotiations, that qualified employees
16 under the Flight Simulator and Instructor Agreements with a valid transfer request on file
17 will be considered for new hire vacancies in the Fleet Service, Maintenance, and Stores
18 Agreements. The same understanding shall apply in reverse, i.e. a qualified employee
19 covered by the Fleet Service, Maintenance or Stores Agreements with a valid transfer
20 request on file will be considered for new hire vacancies in the Technician or Instructor
21 Agreements.

22

23 Very truly yours,

24

25

26 James B. Weel

27 Managing Director – Labor Relations

28 American Airlines, Inc.

29

30

31 Agree and Concur:

32

33

34 Tim Klima

35 Airline Coordinator

36 Transportation Department IAMW

Mike Mayes

Air Division Director

Transport Workers Union

LETTERS OF MEMORANDUM – 2 – TECHNICAL CREW CHIEF – MAINTENANCE
TRAINING SPECIALIST TRANSITION

1 February 12, 2018

2
3 Tim Klima
4 Airline Coordinator
5 Transportation Department IAMAW
6
7 Mike Mayes
8 Air Division Director
9 Transport Workers Union of America

10
11
12 Technical Crew Chief – Maintenance Training Specialist
13 Transition

14
15 In negotiations to form joint collective bargaining agreements (“JCBAs”) following the merger of
16 American Airlines, Inc. (“American”) and US Airways, Inc., American and the TWU/IAM
17 Associations (the “bargaining parties”) agreed to establish five (5) separate collective bargaining
18 agreements. This Letter of Agreement addresses a group of employees who are affected by the
19 transfer of their work from the coverage of one pre-merger collective bargaining agreement (the
20 Mechanic & Related CBA) to a different post-merger JCBA (the MTS JCBA).

21
22 The attached list of pre-merger American Technical Crew Chiefs are performing Maintenance
23 Training functions that will be transferred to and be covered by the JCBA known as the
24 Maintenance Training Specialists Agreement (“MTS JCBA”). Upon ratification of the new
25 JCBAs, seniority for these affected employees will be as it appears on the June 15, 2017
26 integrated MTS seniority list and their pre-merger Mechanic & Related basic classification
27 seniority will continue to accrue.

28
29 The bargaining parties agree to provide these affected employees a one-time, non-precedent
30 setting and irrevocable opportunity to elect not to follow their Maintenance Training work and,
31 instead, to remain under the coverage of the new Mechanic & Related JCBA in a position within
32 their basic classification.

33
34 THEREFORE be it agreed and resolved that:

35
36 Within thirty (30) days of the final and announced ratification date of the TWU/IAM Association –
37 American JCBAs, these affected employees may elect not to follow their Maintenance Training
38 work and instead become employees in a position within their basic classification at their home
39 location covered by the new Mechanic & Related JCBA. The election must be made by
40 completing and signing the attached form and delivering the form to the identified American
41 representative in accordance with the instructions on the form. Receipt of the form by the
42 American representative must occur no later than the thirtieth (30th) day following the
43 announced ratification date of the JCBAs. American will not accept forms delivered or received
44 after that thirtieth (30th) day.

45 Except for employees who elect not to follow their work as described above, all other employees
46 on the attached list will be reclassified as Maintenance Training Specialists, will be covered by
47 the MTS JCBA, and will observe their MTS seniority as it appears on the June 15, 2017
48 integrated MTS seniority list. Additionally, these reclassified employees shall receive length-of-
49 company-service credit for their placement on the MTS pay scale, effective no later than thirty
50 (30) days after the announced ratification date of the JCBAs.

LETTERS OF MEMORANDUM – 2 – TECHNICAL CREW CHIEF – MAINTENANCE
TRAINING SPECIALIST TRANSITION

1
2 Employees who elect not to follow their work shall have their name immediately stricken from
3 the MTS seniority list and, if such employee subsequently transfers back to a MTS position, will
4 establish a new seniority date in the MTS classification in accordance with the seniority
5 provisions as they apply to any other employee entering the MTS classification for the first time.
6

7 Employees who elect not to follow their work will be assigned a position in their home location,
8 within their basic classification on a one-time, non-bid basis that mirrors a position that any other
9 person with the same seniority in the basic classification can hold. Employees who are so
10 assigned a basic classification position shall be paid the basic classification rate of pay relative
11 to their length-of-company-service.
12

13 If five (5) or less employees elect not to follow their work, the transfer of those employees to the
14 basic classification duties will occur immediately after the thirtieth (30th) day as described above.
15 If more than five (5) employees elect not to follow their work, the Association and American
16 agree to negotiate a transition schedule that may delay assignment(s) to basic classification
17 work for a period not to exceed ninety (90) days. Employees who may be held to perform
18 Maintenance Trainer work under this possible extension shall not establish Maintenance
19 Training Specialist seniority because of the extension and shall be paid the appropriate length-
20 of-company-service pay step on the MTS pay scale until the extension ends.
21

22 If the above accurately reflects your understanding of our agreement, please indicate by signing
23 below.
24

25 If you have any questions, please let me know.
26

27 Sincerely,
28

29
30 James B. Weel
31 Managing Director – Labor Relations
32 American Airlines, Inc.
33

34
35 Agreed to:
36

37
38 Tim Klima
39 Airline Coordinator
40 Transportation Department IAMAW

Mike Mayes
Air Division Director
Transport Workers Union

LETTERS OF MEMORANDUM – 3 – VOLUNTARY EARLY OUT PROGRAM

1 Tim Klima
2 Airline Coordinator
3 Transportation Department IAMAW
4
5
6 Mike Mayes
7 International Administrative Vice President
8 Transport Workers Union of America
9

10 Voluntary Early Out Program
11

12 In the event of a headcount overage or the need for a reduction in force which occurs
13 after ratification of a new JCBA for the combined LUS-LAA Association membership,
14 the Company will offer active employees and employees on authorized Union Leave of
15 Absence the opportunity to participate in a Voluntary Early Out Program as follows:
16

- 17 • Employees must have a minimum of fifteen (15) years of service to participate
18 and have otherwise been unaffected by the reduction.
19
- 20 • The maximum number of VEOPs (Voluntary Early Outs) offered in a location,
21 classification and bid area / duty assignment will be at a minimum, as
22 determined by the Company, equivalent to the number of reductions in that
23 location, classification and bid area / duty assignment
24
- 25 • Employees awarded a VEOP will receive a lump sum payment of \$22,500.00
26 within thirty days of the employees release date and lose all rights to any recall
27 and their seniority will be forfeited
28
- 29 • In addition to lump sum payment, employee will receive any severance
30 allowance as outlined in their applicable TWU/IAM Association agreement(s).
31

32 This Lump sum payment will not have any impact on any Sick Leave Buy Back
33 provisions in any of the Association Collective Bargaining.
34

35 Sincerely,
36

37 James B. Weel
38 Managing Director – Labor Relations
39

40
41 Agreed to:

42
43 Tim Klima
44 Airline Coordinator
45 Transportation Department IAMAW

46 Mike Mayes
47 International Administrative Vice President
48 Transport Workers Union of America

LETTERS OF MEMORANDUM – 4 – VACATION METHODOLOGY

1 March 2, 2020

2
3 Tim Klima
4 Airline Coordinator
5 Transportation Department IAMAW

6
7 Mike Mayes
8 Air Division Director
9 Transport Workers Union of America

10
11 Vacation Methodology

12
13 During the discussions leading to the Joint Collective Bargaining Agreements (“JCBA”) the Company and the Association (“Parties”) agreed that the vacation methodology in the JCBA for all Association represented employees would be based on an “earn and use for the next year” methodology. The current IAM CBAs covering Legacy US Airways Fleet Service Clerks (“IAM Fleet”) and Legacy US Airways Maintenance Training Specialists (“IAM MTS”) provide for a an “earn and use” in the current year vacation methodology.

19
20 To transition these work groups smoothly to the new JCBA vacation methodology, the parties agree that upon ratification of the JCBA, IAM Fleet and IAM MTS will transition to the JCBA vacation methodology as follows:

- 24 • For the calendar year 2020 current IAM CBA vacation methodology shall apply, i.e. IAM Fleet and IAM MTS will continue under the current year methodology and application as described in the Collective Bargaining Agreement.
- 28 • For the year 2021, IAM Fleet and IAM MTS employees, will be credited a full vacation allowance on January 1, 2021. For example, an employee who has the ability to earn five (5) weeks of vacation in year 2021, will be credited such vacation allowance of five (5) weeks of vacation on January 1, 2021 regardless of the amount of time the employee worked in year 2020. Further, these employees will also not be required to repay the Company for any vacation received in year 2021 as described under the previous Legacy US Airways Collective Bargaining Agreement.
- 36 • Beginning in year 2021 IAM Fleet and IAM MTS employees’ will begin to accrue vacation for use in year 2022 under the new JCBA (accrue in 2021 for use in 2022).

39 If the above accurately reflects your understanding of our agreement, please indicate by signing below.

41 Sincerely,

42
43
44 James B. Weel
45 Managing Director – Labor Relations
46 American Airlines, Inc.

Lynn Vaughn
Managing Director – Labor Relations
American Airlines, Inc.

47
48 Agreed to:
49 Tim Klima
50 Airline Coordinator
51 Transportation Department IAMAW

Mike Mayes
Air Division Director
Transport Workers Union

LETTERS OF MEMORANDUM – 5 – VACATION LUMP SUM

1 March 4, 2020

2
3

4 Tim Klima
5 Airline Coordinator
6 Transportation Department IAMAW

7
8 Mike Mayes
9 Air Division Director
10 Transport Workers Union of America

11
12

13 Vacation Lump Sum Payment

14
15

16 During the discussions leading to the Joint Collective Bargaining Agreements (“JCBA’s”)
17 the Company and the Association agreed that if any Association represented employee earned
18 an extra week of vacation as a result of the change in vacation accruals in the vacations
19 tentative agreement, on a one time basis for calendar year 2020 only, the Company will pay out
20 in a lump sum any extra week of earned vacation to any impacted Association employee. Such
21 lump sum will be paid out no later than sixty (60) days after ratification and will be subject to
22 applicable tax withholdings and authorized deductions.

23
24

25 If the above accurately reflects your understanding of our agreement, please indicate by signing
26 below.

27
28

29 Sincerely,

30
31

32 James B. Weel
33 Managing Director – Labor Relations
34 American Airlines, Inc.

Lynn Vaughn
Managing Director – Labor Relations
American Airlines, Inc.

35 Agreed to:

36
37

38 Tim Klima
39 Airline Coordinator
40 Transportation Department IAMAW

Mike Mayes
Air Division Director
Transport Workers Union

41
42

43
44

45
46

47
48

LETTERS OF MEMORANDUM – 6 – RETIREMENT FROM INACTIVE STATUS

1 Date: DOR

2

3 Tim Klima

4 Airline Coordinator

5 Transportation Department IAMAW

6

7 Mike Mayes

8 Air Division Director

9 Transport Workers Union of America

10

11

12 During the recent round of negotiations the issue concerning employees retiring from
13 inactive service was discussed. This letter is to confirm that the Company discontinued
14 the practice which required Association Related employees, who are on the seniority
15 roster but not on the active payroll, to return to work for at least one day prior to retirement
16 in order to be eligible for retirement benefits, e.g., flight and medical/dental.

17

18

19

20 Sincerely,

21

22

23 James B. Weel

24 Managing Director – Labor Relations

25 American Airlines, Inc.

26

27

28 Agree and Concur:

29

30

31

32 Tim Klima

33 Airline Coordinator

34 Transportation Department IAMAW

Mike Mayes

Air Division Director

Transport Workers Union

LETTERS OF MEMORANDUM – 7 – PAYROLL SYSTEMS

March 3, 2020

Tim Klima
Airline Coordinator
Transportation Department IAMAW

Mike Mayes
Administrative Vice President
Transport Workers Union of America

Payroll System Transition Agreement

During the negotiations leading to a new Joint Collective Bargaining Agreement, the Company informed the Association of its plan to transition from a “pay current” payroll process to a “pay in arrears” payroll process for any Association members who are in a “pay current” payroll process.

As a result, any employee impacted by this payroll process transition will experience a delay in payroll payment of approximately one week’s pay (i.e., approximately twenty (20) hours for part-time employees and approximately forty (40) hours for full-time employees).

In addition, the Parties agree that any Association members who are currently in a weekly payroll cycle will transition to a biweekly payroll cycle, except for Association members in states where the applicable state law requires a weekly payroll cycle.

To assist with these transitions, the Company will offer the following options, on a one-time basis, to any affected Association members:

Option 1: Employees who are affected by either the payroll process transition or weekly pay transition, may choose to receive an interest free payroll advance from the Company, in an amount equal to twenty (20) hours of such employee’s pay for part-time employees and forty (40) hours of such employee’s pay for full-time employees, to be repaid through payroll deduction. Such employees may choose to repay this payroll advance through equal installments over a period of ten (10) or twenty-six (26) pay periods. Employees who select this option must complete a payroll deduction authorization as required by applicable state law.

Option 2: Employees who are only affected by the payroll process transition to “pay in arrears” (and not the weekly pay transition) may choose to use either compensatory time, accrued vacation, or accrued sick time up to the lower of: (i) the number of hours in their compensatory time, vacation, or sick bank, or (ii) twenty (20) hours for part-time employees and forty (40) hours for full-time employees.

This agreement is made on a non-precedent non-referable basis. If the Association agrees, please confirm by signing below.

Sincerely,

James B. Weel
Managing Director – Labor Relations
American Airlines, Inc.

Lynn B. Vaughn
Managing Director – Labor Relations
American Airlines, Inc.

Agreed to:

Tim Klima
Airline Coordinator
Transportation Department IAMAW

Mike Mayes
Administrative Vice President
Transport Workers Union