

Agreement Regarding Seniority List Integration

Pursuant to this Agreement Regarding Seniority List Integration (this "Agreement"), US Airways, Inc. and any successor (collectively, "US Airways"), American Airlines, Inc. and any successor (collectively "American"), the International Association of Machinists and Aerospace Workers ("IAM"), and the Transport Workers Union of America, AFL-CIO ("TWU") (collectively, the "Parties"), hereby agree as follows:

1. On January 25, 2013, US Airways, American, and the TWU entered a Memorandum of Understanding (the "MOU") addressing certain issues in the event a plan of reorganization becomes effective that includes the merger of American or an affiliate of American with US Airways or an affiliate of US Airways ("American/US Airways POR") and that effectuates a combination of American and US Airways into a single entity ("New American Airlines"). In Paragraph 5 of the MOU, the parties to the MOU addressed seniority list integration between the TWU and the appropriate employee representative(s) of US Airways' pre-merger (i) Fleet Service Employees, (ii) Maintenance Control Technician Employees, (iii) Mechanic and Related Employees (including all accreted classifications), and (iv) Stock Clerk Employees — all of which are currently represented by the IAM.
2. This Agreement supersedes and replaces Paragraph 5 of the MOU. US Airways, American and TWU agree that all other terms of the MOU remain in effect, and are in no way changed or altered by this Agreement.
3. The TWU and IAM agree that seniority list integration for each of the four employee groups listed in Paragraph 1 of this Agreement shall be based on the date of each employee's entry into the basic classification, as set forth in the existing Collective Bargaining Agreements and the current seniority lists maintained by American and US Airways for each such group. To the extent that two or more employees have the same date of entry into the Classification, placement on the applicable integrated seniority list as to those employees shall be determined by the date of hire, or if that is also the same, the last four digits of their social security number, with the employee with the lower number being assigned a lower seniority number on the list (having higher seniority).
4. The TWU and the IAM shall complete the seniority list integration process for each of these four groups as soon as practicable. Once the seniority list integration process is completed and the integrated seniority list is published, an affected employee may only challenge his or her placement on the list, but solely on the grounds that (i) his/her date of entry into the basic classification has not been calculated correctly or (ii) that he/she has not been placed on the integrated seniority list in accordance with the terms of this Agreement. The TWU and IAM will form a committee to address and resolve any individual challenges, which

must be raised by submitting a letter identifying the alleged problem to the committee within 30 days after the integrated seniority list is published.

5. New American Airlines shall accept the resulting integrated seniority list for each of these four groups provided that:
 - a. The integrated seniority lists shall have only prospective effect from their respective date of implementation by New American Airlines.
 - b. There shall be no "system flush" whereby an employee may displace another employee from the latter's position as a result of the implementation of the integrated seniority lists or the implementation or expiration of any condition or restriction contained in the integrated seniority lists;
 - c. Employees on furlough status at the time the applicable integrated seniority list is implemented may not bump or displace employees in active status at that time; and
 - d. The integrated seniority lists shall not contain conditions or restrictions that increase the costs associated with training above those normally associated with the merger of two airlines.

6. New American Airlines shall not implement the integrated seniority list for any of these four groups until implementation of a single collective bargaining agreement governing the combined employee workforce of that group.

Executed this 24th day of April 2013.

Transport Workers Union of America, AFL-CIO


April , 2013

By: 

Name: James C. Little

Title: International President

International Association of Machinists

By: 

April th 24, 2013

Name: Sito Pantoja

Title: General Vice President

US Airways, Inc.

By: Paul D. Jones

April 24, 2013

Name: PAUL D. JONES

Title: VICE PRESIDENT - LEGAL AFFAIRS

American Airlines, Inc.

By: Laura Einspanier

April 24, 2013

Name: Laura Einspanier

Title: Vice President – Employee Relations