

AGREEMENT  
between  
AMERICAN AIRLINES, INC.  
and the  
FLIGHT DISPATCHERS, DISPATCHERS IN TRAINING and  
OPERATIONS SPECIALISTS in the service of  
AMERICAN AIRLINES, INC. and  
US AIRWAYS, INC.  
as represented by  
TRANSPORT WORKERS UNION OF AMERICA, AFL-CIO  
EFFECTIVE: April 15, 2016

**PREAMBLE**

THIS AGREEMENT made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC. (hereinafter known as the "Company"), and the Flight Dispatchers, Dispatchers In Training and Operational Specialists in the service of American Airlines, Inc. and US Airways, Inc., as represented by the TRANSPORT WORKERS UNION OF AMERICA, AFL-CIO (hereinafter known as the "Union").

In making this Agreement, the parties hereto recognize that compliance with the terms of the Agreement and the development of a spirit of cooperation is essential for mutual benefit and for the intent and purpose of this Agreement.

It is hereby mutually agreed:

## **ARTICLE 1 – RECOGNITION AND SCOPE**

A. The Company hereby recognizes, in accordance with Certification, Case R-7429, by the National Mediation Board dated April 15, 2015 the Transport Workers Union of America, AFL-CIO as sole and exclusive bargaining agent of the Flight Dispatchers, Dispatchers in Training, and Operations Specialists employed by the Company within the United States, for purposes of the Railway Labor Act. It is understood that the subject matter of this Agreement is the performance of the Dispatcher function and the rendering of the customary dispatcher services to the Company. Furthermore, it is specifically understood that the scope of work includes all flying by pilots on the American Airlines, Inc. System Seniority List performed in accordance with the terms and conditions of their agreement. It is also understood that the subject matter of the Agreement is the performance of the Operational Specialist function and the rendering of the customary Operational Specialist services to the Company. Changes affecting the subject matter of this Agreement may be made only by agreement between the parties or pursuant to the Railway Labor Act.

B. Merger, Purchase or Acquisition of Another Company.

1. In the event of a merger, purchase or acquisition of another company, involving the entire company or a substantial portion of that company, by the Company, the TWU and the Company will meet to discuss the merger, purchase, or acquisition. The Company will provide the TWU with information concerning the proposed merger, purchase, or acquisition at the earliest feasible time to allow for the Union to prepare for those discussions. Those discussions will include the impact of the merger, purchase, or acquisition upon the TWU represented employees.
2. The integration of the seniority lists of the respective employee groups will be governed by the provisions of Sections 3 & 13 of Allegheny-Mohawk, 59 CAB 22 (1972), provided that no employee on the master seniority list will be adversely impacted in rates of pay, hours, or working conditions by the integration.
3. The rates of pay, rules, and working conditions contained in the Basic Agreement, as amended, will not be open for collective bargaining in the event of a merger nor will the TWU or the Company have any obligation to bargain upon changes thereto, except as provided in Article 47 – Duration of the Basic Agreement.
4. The parties agree to submit to final and binding arbitration by an arbitrator approved by the National Mediation Board all disputes between the TWU and the Company which are not settled in the meetings provided above within six (6) months of the effective date of the merger. The costs of the arbitration will be shared equally by the parties and there will be only one

such arbitration proceeding which will be the sole and exclusive remedy for all such disputes.

5. It is understood that the provisions of Article 1.B(2), (3), and (4) will not apply to the Company's purchase of assets of another airline which does not result in the integration of employees.

C. Merger, Purchase or Acquisition by Another Company

In the event of a merger, purchase, or acquisition of the Company by another company, the TWU and the Company will meet to discuss the merger, purchase, or acquisition. The Company will provide the TWU with information concerning the proposed merger, purchase, or acquisition at the earliest feasible time to allow for the Union to prepare for those discussions. Those discussions will include the impact of the merger, purchase, or acquisition upon the TWU represented employees.

D. Labor Protection Provisions

In the event of a merger, purchase, or acquisition of the Company by another company, the integration of the seniority lists of the respective employee groups will be governed by the provisions of Sections 3 & 13 of Allegheny-Mohawk, 59CAB22 (1972). The employee groups of each carrier will remain separated until such time as the seniority lists are integrated in accordance with this paragraph.

E. Successorship

1. The agreement will be binding upon any Successor. The Company will not bring a single step or multi-step Successorship Transaction to final conclusion unless the Successor agrees, in writing, to:
  - (a) recognize the TWU as the representative of employees on the TWU System Seniority lists consistent with the Railway Labor Act, as amended;
  - (b) to employ the employees on the TWU System Seniority list in accordance with the provisions of this Agreement;
  - (c) assume and be bound by this Agreement.
2. If the Successor is an Air Carrier or an affiliate of an Air Carrier, the Company will, at the option of the TWU, require the Successor to agree to integrate the pre-transaction System Seniority list of the Company and the Successor in a fair and equitable manner within twelve (12) months of the Successorship transaction pursuant to Sections 3 and 13 of the Allegheny-Mohawk LPPs. The requirement of this provision does not

apply to the Company's acquisition of all or part of another Air Carrier in a transaction which includes the acquisition of aircraft and employees.

Subject To Final Review By The Company And TWU

## **ARTICLE 2 - DEFINITIONS**

A. The term "Flight Dispatcher" as used herein means an employee who has been designated as such by the Company and who holds a currently effective Aircraft Dispatcher Certificate, issued by the Federal Aviation Administration, Department of Transportation, United States of America, and who is regularly assigned as a representative of the Company to exercise operational control within a prescribed area or on an assigned route, to be responsible for the safety and efficiency of operation in accordance with the Code of Federal Regulations and Company Flight Manuals.

B. The duties of a Flight Dispatcher, depending upon assignment, includes any or all of the applicable functions and responsibilities set forth in the Code of Federal Regulations ("CFRs") and Company manuals and any or all of the following duties, but not limited thereto:

1. Preplanning daily flight operations with primary emphasis on safety, efficiency and economy consistent with passenger comfort and on-time performance;
2. Exercise and maintain joint responsibility with the pilot in command for operational control in all matters affecting the safety of flights;
3. Assuring that appropriate station personnel are informed of significant changes in the flight status such as specific aircraft to be used on flights, aircraft changes, aircraft substitutions, delays, unscheduled landings, diversions or cancellations;
4. Monitoring and evaluation of actual and forecast meteorological information, airport conditions, airways, communications facilities and NOTAMs for flight release preparation, flight following and operational control decision-making;
5. Briefing flight crews on meteorological and airport conditions, airways, MELs, NOTAMs and procedures as required for the safe and efficient completion of flights;
6. Responsible for performing take off and landing performance adjustments and monitoring weight and balance calculations as necessary;
7. Discussing, as necessary, fuel and pay loads, weight and balance, aircraft conditions and routings with flight crews in order to establish understandings concerning aircraft operation;
8. Monitoring the progress of each assigned flight in order to provide accurate times and flight status for passenger information and to provide the flight crew with information regarding the safe completion of the flight;

9. Monitoring information concerning and reacting to weather trends and airport conditions in order to anticipate changing conditions that may affect aircraft operations;
10. Coordinating with employees and other related departments with regard to aircraft and crew availability, MEL application, aircraft ETR status, weight and balance issues, aircraft routing, and any other information necessary for the safe completion of the flight, including monitoring runway status and conditions, other field conditions, and all company weather systems;
11. Initiating operational flight information and time limit decision messages;
12. Assuring availability of crew and aircraft for each schedule departure;
13. Originating and transmitting information as to probable arrival of flights operating off schedule;
14. Keeps informed of progress of all inbound flights entering control area, location of aircraft and crews out of position during irregular operation;
15. Coordinating for optimum utilization of aircraft, and crews during irregular operation(s);
16. Being available to crew members and station operations personnel to provide information related to flight operations;
17. Utilizing any electronic input/output devices installed in Dispatch offices for the purpose of data input directly required by the Dispatch function, e.g., flight planning, flight release, flight watch, flight information developed and directly related to the dispatch assignment;
18. Issuing instructions in his Dispatch area which require implementation by ground personnel in the performance of those phases of their duties pertinent to flight operations;
19. Performing irregularity reports when required;
20. Be responsible for the redispach of flights in progress when necessary for reasons of safety or economy;
21. Keep stations informed of any changes in the status of all flights such as anticipated delays, cancellations, diversions, unscheduled landings, re-routings, changes and/or substitutions of equipment either by type or series, or any other schedule irregularities resulting from either his or from

joint pilot-dispatcher decision whether done prior to flight's departure or during enroute operations;

22. Originate and transmit information as to probable arrival and departure of flights operating off schedule due to off-schedule landings and diversions;
23. Conducts OJT for dispatchers in training when assigned by management;
24. Performing such other duties and/or special projects as may be assigned by the Company;

C. The term "Chief Dispatcher" as used herein will, in addition to the Flight Dispatcher description outlined in this agreement, means an employee assigned by the Company to guide and assist Flight Dispatchers in the performance of their work, and who may also perform flight dispatch duties. The Chief Dispatcher assists individual Flight Dispatchers in solving problems and aiding in emergencies:

1. The Chief Dispatcher shall assist management with supervising the technical work performed by Flight Dispatchers and assist with other supervisory and training duties as assigned by the Company. The Chief Dispatcher's duties shall not affect or limit management's ability to supervise Employees or manage the work covered by this Agreement;
2. A Chief Dispatcher may be designated as international or domestic. However, the Company may utilize him in both categories, provided he is qualified as a Chief Dispatcher in the category to which he is assigned, subject to the minimum and maximum shift limitations contained herein;
3. When qualified, the Chief Dispatcher may cover Dispatcher positions when required by the operation. The Chief Dispatcher may also help with dispatch workload if a Dispatcher is behind or needs additional assistance. The Chief Dispatcher may be responsible for the release and operational control of functional check flights and maintenance position ferry flights;
4. In order to maintain proficiency, Chief Dispatchers shall be scheduled to perform the Dispatch function one (1) time per month or the equivalent thereof;

D. The term "Operations Coordinator" as used herein will, in addition to the Flight Dispatcher description outlined in the labor agreement, include the following duties:

1. Receives and acts upon assignments from management;
2. In support of the IOC Director and Sector Managers makes economic decisions regarding cancelling and delaying flights, including approval of holding flights for connecting passengers;

3. Initiates equipment changes, move-ups and cancellations utilizing coordination with flight dispatchers, managers, crew schedule, passenger service representatives, Cargo representatives and the maintenance operations, focusing on on-time dependability and completion factor;
4. Sets up and staffs the diversion desk during periods of irregular operations, caused by flight diversions, or any other flight irregularities;
5. Maintains and communicates system equipment balance;
6. The Operations Coordinator may act as a coordinating point during irregular operations and keep managers informed regarding the status of the operations;
7. Maintains records, forms and other paperwork associated with the position;

E. The term "Air Traffic Control Coordinator" as used herein will, in addition to the Flight Dispatcher description outlined in the labor agreement, include the following duties:

1. Acts as a coordinating point of office procedures instituted to manage ATC initiatives;
2. Provides tactical and strategic coordination between flight dispatch and the Air Traffic Management facilities worldwide. Ensures that tactical coordination between the Company and FAA/ATC is optimized, e.g. fix balancing, arrival sequencing, FSM/slot swapping, NRP, severe weather avoidance procedures and other ATC optimization requirements;
3. Provides continuous coordination with Air Traffic Management facilities on behalf of the Company;
4. Supporting development of advanced Air Traffic Flow Management systems and procedures;
5. Ensuring that coordination and communication is maintained between Flight Dispatch and any other affected department on matters pertaining to Air Traffic Control on the current and the next day's operation;
6. Ability to review Flight Dispatch policies and procedures pertaining to air traffic and recommending changes as necessary;
7. Maintaining company logs associated with the daily operation;



8. Updating ATC logs daily on behalf of the Company;

F. The term “Regional Operations Coordinator” as used herein will, in addition to the Flight Dispatcher description outlined in this agreement, means an employee under this Agreement who is responsible for providing day to day coordination between the mainline and regional operations in order to provide maximum benefit to the Company’s overall operation. The Regional Operations Coordinator will include the following duties:

1. Provides day to day assistance to the Company’s regional partners, helping ensure a consistent product for the Company’s customers;
2. Assists in standardizing procedures and overseeing operational issues relating to regional operations;
3. Coordinates all available resources operating under American Eagle to provide optimal operational performance and spare utilization;
4. Leads daily conference calls and provides guidance to the regional carriers during irregular operational events and diversions;
5. Acts as a liaison to American Eagle and the IOC ATC desk;
6. Assists management with coordinating incidents involving American Eagle;

G. The term “Dispatcher Trainer” as used herein will, in addition to the Flight Dispatcher description outlined in this agreement, mean an employee who is assigned to the Dispatch Training Department for the purpose of performing any of the following duties, but not limited thereto:

1. Recurrent training for each aircraft type operated by the Company;
2. General refresher training;
3. Training for newly acquired aircraft types operated by the Company;
4. Initial upgrade training;
5. Operations Control training programs that are related to proficiency or regulatory requirements;
6. Training as required by the FAA approved Dispatcher Training Manual or any additional training as assigned by management;
7. Departmental and industry liaison as assigned by management;

8. Quality assurance and internal audit requirements;
9. Systems integration, testing, training, and Operations Control representation for input on systems development;
10. Departmental representation to meetings and committees concerning MMEL and MEL issues;
11. Research and publish new operational procedure related to the dispatch function;

H. The term “Check Dispatcher” as used herein, in addition to the definition of a Dispatcher, means an employee who has been selected and designated as such by the Company, who is current, qualified, and actively working as an Aircraft Dispatcher in the employ of the Company. Employees designated as a “Check Dispatcher” will perform annual Competency Check functions that are required by the Company and FAA. No employee selected as a “Check Dispatcher” may hold such position unless that Employee has accumulated at least five (5) years of service as an American Airlines Dispatcher. The Company at its sole discretion will designate when the position will be filled.

I. The term “Dispatcher in Training” as used herein means an employee who has been designated as such by the Company who has not yet achieved a “qualified Dispatcher” status as determined by the Company. Additional Flight Dispatch related duties will be assigned as determined by the Company.

J. ATC Liaison/Fuel positions – these are positions covered by the Agreement and selected by interview. Selected employees work a regular bid line and desk but may be removed from their desk to conduct efficiency business when required. In the event that either or both of these positions require full time coverage, selected dispatchers will not work a regular bid line but will be scheduled in accordance with Article 3 of this agreement. Duties include but are not limited to:

1. Identify and implement efficiency opportunities in coordination with departmental management;
2. Ability to cross departmental boundaries including but not limited to, interaction with Operations Engineering, Flight Department, Maintenance and Flight Professional Standards;
3. Primary focus areas include, ATC Efficiency, PRAF management, Routing Efficiency;
4. Focus on Dispatcher/Ops Coordinator working level – results driven approach focusing on procedures and performance;

K. The term “Operational Specialist” as used herein means an employee who has been designated as such by the Company and holds one or more of the following licenses or their military equivalent: FAA Flight Dispatcher, Pilot, Navigator or Air Traffic Controller. The work of an Operational Specialist, depending on the shift assignment will include any or all of the following duties:

1. Providing 24-hour flight planning support to Company, Envoy and other contract carrier Flight Dispatchers;
2. Utilizing various platforms to create daily optimized routes;
3. Reviewing and editing NOTAMs impacting operations and adjusting the company database as needed to reflect those NOTAMs;
4. Amending and creating company database routes as procedures change and to increase operational efficiency;
5. Creating on-request routes to avoid enroute hazards (weather, volcanic ash, airspace, etc.) to assist the Flight Dispatcher’s workload;
6. Creating routes for nonstandard operations including emergency diversions, maintenance, ferry and charter flights, and MEL aircraft flight related to route, time, altitude and airspace availability;
7. Troubleshooting any issues related to flight planning to support on-time performance;
8. Communicating with various domestic and international ATC agencies with regards to flight plan rejections or route compatibility issues;
9. Maintaining company database records related to flight planning including routes, airways, SID, STAR, ATC filing addresses, airports and blocking data;
10. Building a variety of records for any new cities and market the Company expands into;
11. Monitoring for SUA Activity via the appropriate automation application and adding ad-hoc activity issued via NOTAM, as needed;

L. The term “Operational Specialist – Technical/Training” as used herein means a position bid on by current Operational Specialists for a one (1) year commitment. The position is awarded based on the qualifications and merit of each individual after completing an interview process. Two members of IOC management and a TWU local representative will participate in the interview process. Operational Specialists working

in this position will receive an additional hourly premium equivalent to the hourly premium for Dispatch trainers. Responsibilities will include any or all of the following duties, but not limited thereto:

1. Maintaining/updating navigation databases and support tools (Legacy and New);
2. Assisting with AIRAC Cycle changes (Nay Data Tapeloads);
3. Providing initial/recurrent and specialized training to Ops Specialists and other department personnel including competency checks for new hires or employees new to the position;
4. Providing operational and technical support to FPS and other departments as necessary to accommodate new policies/procedures, industry changes and operational irregularities;
5. Performing any tasks as assigned by management related to flight planning and operational support;

M. The term "Employee", as used herein, means all employees of the Company covered by this Agreement as defined in paragraphs (A), (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), and (L) of this Article.

N. The term "automation" will mean automated decision support tools the Company may utilize to enhance the efficiency of the dispatch and network operational control, but not as a substitute for the dispatcher's joint responsibility with the pilot in command, for the preflight planning, delay, and dispatch release of a flight in compliance with FAR 121.533.

O. The term "distance learning" will mean computer based training utilized by the Company as a supplement to classroom training when approved by the FAA.

P. Pay seniority (classification seniority) will govern pay raises and/or placement on the pay scales. This seniority is governed by the appropriate regulations.

Q. The term "regular hourly rate," "regular pay," "straight-time rate" or "pay as if working" will mean the "chart rate" plus any applicable longevity pay, premiums and/or differentials.

R. The term "Company" as used in this Agreement will mean American Airlines Inc.

S. The term "Successor" as used in this Agreement will include, without limitation, any assignee, purchaser, transferee, administrator, receiver, executor and/or trustee of the Company or of all or substantially all of the equity securities and/or assets of the Company.

T. The term “Successorship Transaction” as used in this Agreement will mean any transaction, whether single step or multi-step, that provides for, results in, or creates a successor.

U. The term “affiliate” as used in this Agreement will mean (a) any entity that controls the Company or any entity that the Company controls, and/or (b) any other corporate subsidiary, parent, or entity controlled by or that controls any entity referred to in (a) above.

V. The term “Chief Operating Officer”, “department head”, or any other management title referred to in the Agreement will mean that person or any other person properly designated and appointed by him to act in his capacity.

W. The term “Select Position” as used in this Agreement will mean positions that are filled, in accordance with the selection process outlined in this Agreement.

X. The Company will provide any training to affected employees which results from changes in Federal licensing or Company qualifications.

Y. The words he, him and his are used in the generic sense when they appear in this Agreement, and refer to both male and female Employees.

Z. The term “Whole Blocks” as used in Article 8 – Vacations shall mean a minimum consecutive four (4) day work period.

AA. The term “Change of Schedule (c/s)” as used in Article 6 – Overtime shall mean a change in the Employees schedule other than a desk change with the same start times.

AB. The acronym “BRCC” as used here in shall mean – Business Resumption Command Center

AC. The term “AM Shift” as used herein shall mean a shift of work that starts no earlier than 0400L and no later than 1159L

AD. The term “PM Shift” as used herein shall mean a shift of work that starts no earlier than 1200L and no later than 1759L

AE. The term “Midnight Shift” as used herein shall mean a shift of work that starts no earlier than 2000L and no later than 2300L

AF. The terms “Operational Familiarization”, “Annual Route Check” and “Route Check” shall all bear the same meaning.

AG. The term “Recurrent Training” as used herein shall mean all required training to maintain a dispatcher’s classification, division(s) qualification(s) and/or select position(s) qualifications.

AH. The term “Classification” as used herein shall mean – In addition to the Flight Dispatcher classification the following are considered sub-classifications under Dispatcher: Domestic Dispatcher, International Dispatcher, Chief Dispatcher, Operations Coordinator, ATC Coordinator, Regional Operations Coordinator, Dispatch Trainer.

AI. The term “Division” as used herein shall mean the primary area of responsibility held by the Dispatcher: Domestic, International European, International Pacific, International Latin America.

Subject To Final Review By The Company And TWC

### **ARTICLE 3 - HOURS OF WORK**

A. Work schedules will be drawn up on the basis of nine (9) consecutive on-duty hours. For scheduling purposes the midnight shift is the first shift of the new day.

B. Effective April 15, 2016, a work cycle and a work schedule of 1752 annual hours of work averaging not more than seventeen (17) days of work out of each thirty (30) calendar days and which contains not more than four (4) consecutive days of work without a scheduled day off will be maintained for Flight Dispatchers and Dispatchers in Training. The basic work cycle and schedule for all Flight Dispatchers and Dispatchers in Training covered under this Agreement will be four (4) days of work, three (3) days off, four (4) days of work, four (4) days off with the following exceptions:

1. Dispatchers under this Agreement working as Dispatch Instructors, Relief Dispatchers or temporary assignment Dispatchers, will be scheduled as closely as possible to the 4-3, 4-4 pattern, but may be scheduled otherwise if there exists no other alternative due to staffing requirements, provided that no Dispatch Instructor, Relief Dispatcher or temporary assignment Dispatcher will be scheduled for more than six (6) days of work without an intervening day off; and that no shift is scheduled with less than a prior rest period of at least nine (9) hours.

2. No Dispatch Instructor, Relief Dispatcher or temporary assignment Dispatcher will be scheduled for more than seventeen (17) out of any thirty (30) calendar days.

3. In addition, on an annual basis, Flight Dispatchers will bid by seniority, four (4) additional work days following the annual schedule and vacation bids and after annual training has been assigned. These additional work days shall be designated on the schedule as AM, PM or Midnight shifts.

4. A work schedule of 2,080 annual hours of work will be maintained for Operational Specialists. The basic work cycle and schedule for all Operational Specialists covered under this Agreement will be four (4) days of work, three (3) days off based on ten (10) consecutive on-duty hours.

C. Any changes to the basic work cycle or work schedule as defined in paragraph (A) or (B) must be approved by the Local President and the Director of Dispatch Operations or their designees subject to the provisions of Article 46.

D. A Flight Dispatcher completing a shift will not be relieved from duty until the relieving Flight Dispatcher has become familiar with pending operational problems and the relieving Flight Dispatcher has so signified by signing the "turnover sheet" or an equivalent method. This normal overlap between shifts is not included in a Flight Dispatcher's scheduled nine (9) consecutive on-duty hours.

E. It is understood that the needs of the service and the nature of the Flight Dispatcher's and Dispatcher in Training's duties prevent a definite, fixed or exact number of hours per day or hours per week. Employees will not be required to work seven (7) consecutive days on any posted work schedule, except for route qualification or route check trips. Employees will be assigned to regular shifts. Subject to the requirements of the service, choice of shifts and days off and rotation of shifts will be granted in the order of occupational seniority.

F. Permanent work schedule lines in all classifications, except Dispatch Instructors and/or Dispatchers on temporary assignment, shall be created to provide the maximum number of schedule lines which rotate between AM and PM shifts only. Midnight shift lines shall be created in all classifications, except those noted above, to provide for the minimum number of schedule midnight shift lines required to meet the needs of the operation. Relief lines shall be created to abide by the same scheduling requirements as permanent lines to the extent permitted.

G. The system and procedures for scheduling relief lines in all classifications shall be determined by the Company with input from the Scheduling Committee.

H. Currently there are no shifts for Flight Dispatchers or Dispatchers in Training starting between midnight and 0500 local time. If, because of compelling reasons, such shift start times become necessary in the future, the Company will meet with the Local President as well as representatives of the Local to provide the reason(s) such shifts are necessary. Under no circumstances will there be start times between 2300 and 0359 local time.

I. Unless the employee agrees to shorter notice, no changes will be made to an employees work schedule less than fourteen (14) days prior to their effective date. Notification of a change to an Employee's schedule will be made via telephone and in writing subject to the following provisions:

1. For changes that require an employee to be moved from one shift to another (i.e. AM Shift to PM Shift, PM Shift to Midnight Shift, Midnight Shift to AM Shift), the employee to be affected by the move shall be the least senior qualified employee.
2. For changes that require an employee to be moved within the same shift (i.e. AM Shift, PM Shift, Midnight Shift) to a Select Position, the employee to be affected by the move shall be the most senior qualified employee.
3. For changes that require an employee to be moved within the same shift (i.e. AM Shift, PM Shift, Midnight Shift) from the Domestic Division to the International Division, the employee to be affected by the move shall be the most senior qualified employee.



J. Employees will be permitted to trade shifts and/or scheduled days off. Trades will be entered and recorded in the work scheduling system by the employee. Such trading will not result in the payment of overtime compensation to any employee.

K. Recurrent training days will be assigned by the Company during an Employee's regularly scheduled work week. The Company may schedule ad hoc training days during an Employee's regular work week based on operational needs.

Subject To Final Review By The Company And TWU

#### **ARTICLE 4 - COMPENSATION**

A. Dispatcher's will be paid minimum monthly salaries, based, on a bi-weekly basis in accordance with length of service as follows:

YOS	DOS	DOS+12	DOS+24	DOS+36	DOS+48
1	6,178	6,302	6,428	6,557	6,753
2	6,652	6,785	6,921	7,059	7,271
3	6,964	7,103	7,245	7,390	7,612
4	7,407	7,556	7,707	7,861	8,097
5	7,763	7,918	8,077	8,238	8,485
6	7,962	8,121	8,283	8,449	8,703
7	8,372	8,540	8,711	8,885	9,151
8	8,660	8,833	9,010	9,190	9,466
9	9,321	9,508	9,698	9,892	10,188
10	9,643	9,836	10,033	10,233	10,540
11+	10,816	11,032	11,253	11,478	11,822

An employee who is a Dispatcher in Training will be paid in accordance with his seniority at the rate of 79% of the above pay scale.

B. For each shift a Dispatcher or Dispatcher in Training works, compensation for the normal overlap between shifts is included in his/her minimum monthly salary. The Dispatcher or Dispatcher in Training will not receive any additional compensation for the normal overlap between shifts,

C. When an employee is initially assigned to duty as a Dispatcher in Training, he/she may be given credit for prior experience and may be placed in a position in the range commensurate with such prior experience. Such employee will receive further periodic increases in accordance with his total length of service (including credited service).

D. Except as provided elsewhere in this Agreement, the total compensation paid to a Flight Dispatcher or Dispatcher in Training in accordance with the provisions of (A) above, is in full compensation for all time worked in the performance of his duties as a Flight Dispatcher or Dispatcher in Training, including time worked during his regular shift and time worked as an extension of his regular shift, as specified in Article 3, whether occasioned by either the normal overlap between shifts or beyond as may be necessitated by existing or anticipated weather conditions or emergencies. Accordingly, Flight Dispatchers and Dispatchers in Training will not be entitled to any compensatory time off for any duty occasioned by the foregoing.

E. Those qualified Dispatchers in Training designated by management as being authorized to dispatch aircraft, when assigned to perform route checking will, upon completion of the route check assignment, receive the difference between their daily rate and the daily Dispatcher rate to which their seniority as a Dispatcher entitles them.

F. An employee who is receiving more than the amount set forth above to which his length of service (including credited service) entitles him will not have his pay reduced, but will receive further periodic increases only when he becomes entitled to them by reason of his total length of service (including credited service).

G. When an employee becomes entitled to an increase in pay in accordance with the rate ranges provided in paragraph (A) of this Article, such increase will be effective on the date such pay increase is due.

H. Effective January 1, 1991 for those employees retiring on or after August 15, 1995 license premiums pay will be included in the pensionable earnings of those employees who receive license pay under this agreement.

I. Dispatchers selected by the Director Dispatch Operations to perform in the Chief Dispatcher, Operations Coordinator, ATC Coordinator, Regional Operations Coordinator or Dispatch Instructor classifications will be paid a monthly premium of seven and one quarter percent (7.25%) of the monthly base rate paid on a biweekly basis.

J. Dispatchers selected by the Director Dispatch Operations to perform in the Relief Chief Dispatcher, Relief Operations Coordinator, Relief ATC Coordinator or Relief Regional Operations Coordinator classification will be paid a monthly premium of three and one-half percent (3.5%) of the monthly base rate paid on a biweekly basis.

K. Employees selected by the Director Dispatch Operations to perform on-the-job training will be paid an additional \$2.50 for actual hours spent conducting such training.

L. Dispatchers selected by the Director Dispatch Operations to perform in the ATC Liaison/Fuel Liaison classification will be paid a monthly premium of three hundred and fifty dollars (\$350.00) paid on a biweekly basis.

M. Dispatchers selected by the Director Dispatch Operations to perform in the Check Dispatcher classification will be paid will a monthly premium of three hundred and fifteen dollars (\$315.00) paid on a biweekly basis.

N. Dispatchers who are Line Holders in the International Divisions will be paid a monthly premium of four hundred dollars (\$400.00) paid on a biweekly basis.

O. Dispatchers who are Relief International Divisions Qualified will be paid a monthly premium of two hundred dollars (\$200.00) paid on a biweekly basis.

P. An employee who works a premium position for two (2) hours or more during a workday will receive that premium for the full workday.

Q. Dispatchers who hold an FAA Aircraft Dispatcher's License will be paid monthly license premium of three hundred and seventy dollars (\$370.00) paid on a bi-weekly basis upon successful completion of Initial Dispatch Training and Competency Check.

R. For the purposes of overtime pay, the chart rate for an Employee will be established by dividing the Employee's monthly base rate by 155.

S. Operational Specialists Salary - The following hourly pay rates will apply to all Operational Specialists and will remain fixed for the duration of this contract term:

YOS	DOS	DOS+12	DOS+24	DOS+36	DOS+48
1	28.16	28.72	29.30	29.88	30.78
2	30.32	30.93	31.54	32.17	33.14
3	31.74	32.38	33.02	33.68	34.69
4	33.76	34.44	35.12	35.83	36.90
5	35.38	36.09	36.81	37.55	38.67
6	36.29	37.01	37.75	38.51	39.66
7+	38.16	38.92	39.70	40.49	41.71

T. Operational Specialists selected to perform in the Operational Specialist – Technical/Training position will be paid an hourly premium of seven and one quarter percent (7.25%) for all hours worked in the Operational Specialist – Technical/Training position.

U. Longevity Premium

1. Employees in the Dispatch Classification who have reached top of scale, will be paid a monthly longevity premium. Such longevity premium will be calculated by multiplying \$0.25 times the Employee's years of service (to a maximum of 20 years) as reflected on the Official Dispatch Seniority List, by 164.75. Such longevity premium will be paid according to paragraph (3) and (4) below and will be in addition to any other pay to which the Employee is entitled. Longevity pay is payable so long as the Employee is on active payroll for at least half the month.
2. Employees in the Operational Specialist job classification under this Agreement will, upon completion of three (3) years of accredited service with the Company, be paid longevity pay as follows:

Length of Service	Rate Per Hour	Length of Service	Rate Per Hour	Length of Service	Rate Per Hour
3rd Year	03 cents	9th Year	09 cents	15th Year	15 cents
4th Year	04 cents	10th Year	10 cents	16th Year	18 cents
5th Year	05 cents	11th Year	11 cents	17th Year	21 cents
6th Year	06 cents	12th Year	12 cents	18th Year	24 cents
7th Year	07 cents	13th Year	13 cents	19th Year	27 cents
8th Year	08 cents	14th Year	14 cents	20th Year	30 cents

3. Longevity pay increments will be effective on the date the employee completes the required amount of credited service. Longevity pay will be compounded in the calculation of overtime rates.
4. Accredited service with the Company, for determining longevity pay increments, will be defined as: Active service on the Company's payroll in any capacity, except such service prior to resignation, discharge or furlough when recall rights have expired; the entire duration of leaves up to a maximum specified in Article 17 (J) chart under "Duration of Leave" and "Accrual of Classification Seniority" whichever is more restrictive.

V. Shift differential is additional pay granted Employees for work performed during the hours set forth below. Shift differential is not paid for time not worked, such as absence due to illness, vacation, leave, holiday off, days off etc... Early call-in for overtime work does not affect the employee's entitlement to shift differential for his regular shift hours. When an Employee works overtime on a day off, the shift worked becomes the shift assigned for that day.

#### SHIFT DIFFERENTIAL RATE CHART

Shift Start Time	Shift Differential Pay
0600 - 1159	None
1200 - 1759	\$.51/hour
1800 - 0559	\$.58/hour

#### W. OVERPAYMENT

1. When an Employee has been overpaid he will have the following options:

- (a) The erroneous paycheck will be voided and reissued in the correct amount. The Employee may elect to have the new paycheck issued by direct deposit or have it delivered via overnight mail.
- (b) The amount of the overpayment will be deducted from subsequent paychecks until the entire amount is repaid according to a payment schedule agreed to between the Employee and the Company.
- (c) The entire amount of overpayment will be deducted from a subsequent paycheck.

#### X. UNDERPAYMENT

1. Except when an underpayment is due to an Employee's own neglect or mistake, he will have the following options:
  - (a) If he has been underpaid by less than \$50, the entire amount will be issued in the paycheck immediately following discovery of the underpayment.
  - (b) If he has been underpaid by \$50 or more the Company will, at the Employee's option, promptly issue payment via direct deposit or by special check delivered to the Employee via overnight mail. The Company will reimburse the Employee for any fees, including overdrafts.

## **ARTICLE 5 - EARNED COMPENSATION BANK**

A. Each employee will be permitted to maintain an earned compensation bank up to a maximum of one hundred eight (108) hours. He may convert overtime pay and holiday pay into earned compensation hours at the rate he would have normally received compensation. He may choose to use these hours in the following manner:

1. Personal Day Covered By "Additional's". An employee may request day(s) off to be covered by "Additional's" no more than fourteen (14) calendar days in advance. The employee's bank will be charged the time used by the Company to cover his shift. The time off will be awarded on a "first come, first served" basis subject to the needs of the service. Awards will be granted no less than one (1) calendar day in advance of requested day(s) off.
2. Personal Day Covered By Overtime. An employee may request day(s) off to be covered by overtime in accordance with Article 6 of this agreement. The employee's bank will be charged the time used by the Company to cover his shift (e.g. one and one-half (1 ½) times or two (2) times the time used) subject to the availability of coverage.
3. Sick Days. An employee may convert ECB hours to sick time at one and one-half (1 ½ ) times the employees scheduled daily hours for one (1) sick day. The sick day may then be used in accordance with Article 34 of this agreement. Once converted to sick days, the sick days may not be converted back into the employees ECB bank or converted to cash.
4. Cash. An employee may at any time convert the hours in his bank to cash at his regular hourly rate of pay.

B. Each Employees earned compensation bank hours shall be paid out in cash, in full on December 31<sup>st</sup> of each year at the Employees current regular hourly rate.

## **ARTICLE 6 – OVERTIME**

A. Daily Overtime: Rates will only be paid on a daily basis whenever a shift relief is not scheduled and not provided as follows:

1. One and one-half (1-1/2) times the regular hourly rate for each hour worked in excess of the employees regularly scheduled shift.
2. An employee hereunder will not be required to suspend work during his regular shift to avoid the payment of overtime nor will he be entitled to overtime rates until he has worked his scheduled shift in the workday, including time worked after his regular shift.
3. When an employee works overtime in conjunction with his regular shift he will be entitled to a minimum of fifteen (15) minutes of overtime.

B. Weekly Overtime: Time worked on an employee's regularly scheduled day off will be considered overtime and will be paid as follows, provided, however, that such overtime is not applicable to time spent on shift overlap when a shift relief is provided:

1. One and one-half (1-1/2) times the regular straight-time rate for work performed on an employee's scheduled day off. When an employee works in excess of twelve (12) hours the double-time rate applies for each hour in excess of twelve (12) hours.
2. For overtime work on a subsequent shift on a scheduled day(s) off the double-time rate shall apply for all hours.
3. When an employee is required to work on a day off, which was a result of a C/S (change of schedule), which occurred within 14 days of the overtime shift, the one and one half rate (1-1/2) will apply in all circumstances.
4. When an employee is required to work on his scheduled day or days off, he will be entitled to at least eight (9) hours of work unless he consents to less time.

C. Weekly overtime work will be distributed among the Dispatchers, Dispatchers in Training and Operational Specialists as equitably as practicable.

1. Dispatchers, Dispatchers in Training and Operational Specialists to be offered overtime will be selected from employees within their permanent classification on their day off. Employees on vacation will be offered overtime only after overtime offers have been made to employees not on vacation. Dispatchers on assigned annual route checks will not be offered overtime.



D. A newly qualified Dispatcher shall be credited with the highest number of current overtime days when he is placed on the qualified Dispatcher overtime list.

E. Selection of the employee to receive the overtime from those who have indicated their availability on an overtime list will be made on the basis of:

1. To the employee with the least number of overtime days accumulated. If a tie exists, then,
2. To the most senior employee,
3. Provided, however, that Employees who are required to work on a day off which was a result of a C/S (change of schedule) which occurred within 14 days of the overtime shift will be proffered day off overtime after employee(s) who are on a regular scheduled day off. Employees on vacation will be offered overtime only after overtime offers have been made to employees not on vacation.
4. In the event the overtime to be filled is within a qualification that the selected employee is not qualified to work the following procedure shall apply:
  - (a) The most senior qualified employee on duty shall be moved to fill the vacancy and the selected employee shall assume that vacated position.
  - (b) If the selected employee is not qualified to assume that vacated position, then the process outlined in 4(a) above shall continue until a position that the selected employee is qualified to fill become vacant.
  - (c) If there are no qualified employees on duty to move as specified in 4(a) above, then selection of the employee to receive the overtime from those who have indicated their availability on an overtime list will be made on the basis of:
    - (1) To the qualified employee with the least number of overtime days accumulated. If a tie exists, then,
    - (2) To the most senior qualified employee,
5. Any employee offered overtime in accordance with these procedures who does not accept it for any reason, including sickness, will be credited on the distribution record with the overtime as though it had been worked.

- (a) If, due to refusals, the overtime is not covered, the overtime will be covered in the following order:

Proffer overtime to volunteers who are currently on duty. Selection of the employee to receive the overtime will be made on the basis of:

- (1) Most senior qualified employee volunteer with the least number of overtime days accumulated.
- (2) Assign to the least senior qualified employee.

F. An employee whose overtime working period continues into the following day will continue to receive overtime rates for all overtime so worked.

G. No overtime will be worked except by direction of the proper supervisory personnel of the Company, except in cases of emergency and when prior authority cannot be obtained.

H. Overtime compensation will be computed on the basis of the nearest six-minute unit of work.

I. When an employee is required to work overtime for which compensation is due, he will receive verification of the number of hours worked and the rate of compensation for those hours.

J. Time off will be provided as necessary to accomplish the annual route check. If a annual route check exceeds his normal workday, compensation will be at the straight time rates for all hours required to complete the annual route check beginning one (1) hour prior to gate departure.

K. An employee required to work on a holiday that is the employee's day off will receive holiday pay at the rate of double time and one-half (2 1/2). Under no circumstances will an employee be paid more than double and one-half (2 1/2) times when a holiday worked coincides with the first day off.

L. It is recognized and contemplated that there will be open shifts occasioned by unanticipated absences. When in the determination of management such open shifts must be filled, an employee in the appropriate classification will be utilized to cover the open shift. An employee not covered by the provisions of this Agreement will not be utilized to fill such open shifts for the purposes of avoiding the payment of overtime to an employee in the appropriate classification. This provision is not intended to preclude the utilization of employees not covered by this Agreement for training purposes.

M. The Company and the Union share a mutual commitment to safety including proper staffing during all shifts. The decision to leave shifts open will be based on

availability of resources and operational requirements not cost savings. Overtime call out procedures will be exhausted prior to closing a desk.

N. Any changes to local overtime rules as defined in this Article must be approved by the Director Dispatch Operations and the Local TWU President.

Subject To Final Review By The Company And TWU

## **ARTICLE 7 - HOLIDAYS**

A. The following holidays with pay will be granted:

1. Holiday

New Year's Day

Martin Luther King Day

Presidents Day

Good Friday

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Day After Thanksgiving

Christmas Day

The holidays affected by the Federal Holiday Act are observed on the date established by Federal law.

B. An Employee scheduled to work on any of the above holidays will receive an additional one and one half (1 ½ ) time the regular rate for at least nine (9) hours in addition to his regular pay, except when an Employee requests and is granted fewer hours in which event he will receive one and one half (1 ½ ) times the regular rate for all hours actually worked in addition to his regular pay and his regular pay for the difference between the hours actually worked and his scheduled shift.

C. If any of the above holidays fall on an Employee's day off or vacation, he will receive at least nine (9 ) hours at his regular rate of pay as Holiday Off payment.

D. Payment for a holiday will not be made to an Employee on a leave of absence or to an Employee scheduled to work on such holiday who is not excused from work and who fails to report to work as scheduled.

E. Any work performed on an Employee's day off will be paid in accordance with Article 6.

F. In the event the Company reduces flying substantially on a holiday or the day(s) preceding or following a holiday, the Company and Union will meet a minimum one (1) month in advance to discuss any potential staffing reductions. If the Company and Union mutually agree, reduced staffing will be offered in occupational seniority order.

The Company will not delete or consolidate scheduled work shifts except as follows: On any day that the flight schedule has temporarily been reduced to accommodate a holiday schedule Employee shifts may be reduced for the effective shift (e.g. AM, PM, MID).

Any reduction of shifts shall be no greater than the percentage reduction in flying for that time period when compared to the normal flight schedule for that day of the week. Such reductions would not create an increase in work load for other Employees or have an adverse impact on the operation. When staffing is reduced, at the Company's discretion, the Employee may be permitted to take the day off and receive payment under paragraph C.

Subject To Final Review By The Company And TWA

## **ARTICLE 8 - VACATIONS**

A. Employees hereunder will become entitled to and receive vacation allowances in accordance with the following.

<b>Length of Service</b>	<b>Accrual Rate Per Month During the Current Year</b>	<b>Up To A Maximum Annual Vacation Accrual of:</b>
<b>Less than 5 Years</b>	1 work day	Ten (10) work days
<b>5 Years but Less Than 17 Years</b>	1 ½ work day	Fifteen (15) work days
<b>17 Years but Less Than 25 Years</b>	2 work days	Twenty (20) work days
<b>25 Years but Less Than 30 years</b>	2 ½ work days	Twenty-five (25) work days
<b>30 Years and Over</b>	3 work days	Thirty (30) work days

1. In computing vacation eligibility under this Article:

- (a) As used herein, the term "year" is used to mean calendar year.
- (b) In any calendar month, fifteen (15) days or more of service with the Company will be considered a full month and less than fifteen (15) days will not be considered.
- (c) Fractions of one-half day or more of earned vacation will be considered as entitling the employee to a full day's vacation and fractions of less than one-half a day will not be considered.

B. The pay for such vacation will be at the pay, which the employee would normally have received at his straight-time rate at the time the vacation is taken.

C. Preference in the period in which employees hereunder will be permitted to take their vacations will be granted in the order of occupational seniority.

D. The Company and the Scheduling Committee will meet annually prior to the posting of the vacation bid to review the vacation allocation.

E. The Company will post requests for vacation preferences for the period January 1 through December 31 of each year not later than October 15 of the previous year and employees eligible will list their preferences not later than November 15. The vacation periods will be assigned and posted by December 1, whenever possible.

F. Vacations may be taken in the year of accrual or they may be carried over to the following year. An employee may not carry over a cumulative total of more than two (2) years of accrued vacation.

G. Employees may swap shifts on an annual basis, in whole blocks only, prior to the first round of vacation bidding.

H. The annual vacation bid will consist of three (3) rounds.

FIRST ROUND: The current accrual may be bid in whole blocks of consecutive days only, up to the maximum accrual earned by the Employee.

SECOND ROUND: Any remaining current accrual may be bid in less than whole blocks.

THIRD ROUND: Any remaining current accrual may be bid with the previous year's carry over vacation accrual where coverage is available. Any accumulated Earned Compensation Bank time may be bid during the third round where coverage is available. Any accumulated Earned Compensation Bank time bid during the third round may not be moved or returned back to the Earned Compensation Bank. Otherwise any accrued Earned Compensation Bank time may only be used in accordance with Article 5.

F. If an employee is requested by the Company in writing to forego his vacation during the vacation selection period in which it is to be taken and has not received it by the end of that vacation selection period, the employee will be entitled to said deferred vacation during the succeeding vacation selection period or to pay in lieu of same at the option of the employee, subject to the requirements of the service.

G. An Employee hereunder who takes a leave or leaves of absence which exceeds the limits set forth in Article 17 (J) during any calendar year will have his vacation allowance to which he becomes entitled during that current year reduced by his monthly accrual rate as outlined in paragraph A. above for each thirty (30) calendar days of said leave which exceeds the limits set forth in Article 17 (J) ; provided, however, no deduction from vacation allowance will be made for leaves of absence granted due to injury sustained while on duty.

H. In the event of termination of employment with the Company, an Employee hereunder who has completed six (6) months of service with the Company will be paid for vacation not previously taken to which he became entitled as of the date of his termination. If an employee takes vacation in excess of what he has

accrued as of the date of his termination, such unaccrued vacation time will be deducted from his final paycheck.

An employee who fails to give two (2) weeks' notice of resignation in writing, and such notice is not waived by the Company in writing, or who is discharged for confiscation of Company funds or property, will not be paid for any vacation hereunder.

I. An employee who has completed six (6) months of service with the Company, has been furloughed, has been paid for all vacation due him at the time of furlough, and who is subsequently recalled to work will accrue vacation allowance from the date of his reemployment in accordance with paragraph (A).

J. An employee who has not completed six (6) months of service at the time he is furloughed and who is therefore not entitled to vacation termination pay will, if reemployed within a period of time from furlough not exceeding his previous service, be granted vacation credit for service prior to such furlough. In no case will the vacation to which such employee becomes entitled on December 31 of that year exceed eighty (80) hours.

K. An employee who has been assigned a vacation period will not have his vacation dates changed without his consent, unless he is notified of such change in writing thirty (30) days in advance of the starting date of his vacation. This will not apply in case of emergency; that is, an act of God, a national war emergency, revocation of the Company's operating certificate or certificates, grounding of a substantial number of the Company's aircraft for safety reasons, and airworthiness reasons which may threaten grounding of aircraft in the fleet.

L. The attachments on the following pages are agreed to by the parties and are incorporated as part of the Agreement.



March 29, 1982

Mr. H. J. Leonard International Vice  
President  
Transport Workers Union of America, AFL-CIO 5128 E.  
Lancaster Avenue  
Suite 18  
Ft. Worth, TX 76112

Dear Mr. Leonard:

This will confirm our agreement concerning employees off work on disability due to an injury on duty when a vacation period is scheduled.

The Company will, if an employee requests in writing prior to the scheduled vacation period, attempt to reassign vacations scheduled during an uncontested lengthy IOD to the extent the operation permits; that is, the employee should be allowed to choose from open vacation periods if any exist or, if none exist, assigned with at least 7 days' notice, a rescheduled vacation slot unless the operation cannot afford his absence. Such vacation deferral will be permitted only if the vacation can be rescheduled during the calendar year in which it was originally scheduled. Pay in lieu of vacation is not available to an employee in these circumstances.

Whenever such a vacation reschedule has been denied, the employee may request the Local Union President/Station Chairman to meet and review the vacation reschedule request with the General Manager/Chief Operating Officer at that location. If his vacation reschedule is not resolved at that level, he may utilize the procedures of Article 31 of the Labor Agreement.

H.J. Leonard

S. L. Crosser

## **ARTICLE 9 - PROBATIONARY PERIOD**

A. An employee will be on probation for the first twelve (12) months of continuous service.

B. Nothing in this Agreement will be construed to prevent the Company from releasing any employee during his probationary period without cause and without hearing.

C. Any Dispatcher in Training will, as a condition of continued employment, become qualified as a Dispatcher within eighteen (18) months after permanent assignment to Dispatcher in Training by successfully completing the uniform Dispatcher qualifying examination(s) described in paragraph D of this Article.

D. The Company will prepare uniform Dispatcher examinations to be administered as required to Dispatcher's in Training. The Local T.W.U. President will be afforded the opportunity to review and discuss the examinations to be administered with the Manager Dispatch Operations.

In the event examinations are administered orally, the Union, upon request, may have an observer present.

Subject To Final Review By The Company And T.W.U.

## **ARTICLE 10 - SENIORITY**

A. Seniority as a Flight Dispatcher or Dispatcher in Training will begin to accrue on the date of permanent assignment to duty as a Flight Dispatcher. Seniority as an Operations Specialist will begin to accrue on the date of permanent assignment to duty as an Operations Specialist. Except as otherwise provided by this Agreement, after seniority in a classification has been established, it will continue to accrue while the employee is assigned to permanent duty in that or a higher classification.

There will be a single seniority list, which will indicate a Company seniority date, and a Flight Dispatcher seniority date.

B. When employees are assigned to a classification, their seniority will be determined on the basis of the following:

1. Occupational Seniority date
2. Earliest continuous AA-TWU Occupational Seniority date
3. Company Seniority date
4. Birthday
5. Employee Number

C. A permanent vacancy as a Flight Dispatcher will be awarded to the senior qualified employee.

D. Seniority will not govern promotion or assignment from Flight Dispatcher, or Operations Specialist to supervisory, select positions, or special duty assignments.

E. Individuals holding positions on the Dispatcher Seniority List who hold or accept a Sector Manager position in SOC/Dispatch shall retain and accrue Occupational and Classification seniority and shall remain on the Seniority List provided they pay to the union an amount equal to 1.20% percent of the wages they otherwise would be entitled to, were they working in positions covered by this Agreement, including any appropriate override.

Individuals holding a Sector Manager position as of October 1, 2011 and who are actively working will be placed on the Master Seniority List as of the date they commence paying dues (so long as dues payment commences within 60 days of September 12, 2012) at a rate equal to 1.20% percent of the wages they otherwise would be entitled to, were they working in positions covered by this Agreement. Once on the Master Seniority List, such individuals will be able to bid Dispatch vacancies; however, such individuals may not directly displace and cause the furlough of an employee actively working in a position covered by this Agreement.

1. An employee who accepts a position at the request of the Company, in work not associated with the flight dispatch function, shall retain but not accrue seniority and shall forfeit all such seniority after two (2) consecutive years in such work.
2. An employee who accepts a special assignment at the request of the Company occasioned by a national emergency, declared or undeclared, shall continue to accrue seniority.

F. When an employee transfers to a position not covered by this Agreement, the following will apply.

1. The Company will consider employees from the Dispatch Group Seniority List for the positions of Managing Director IOC Dispatch Operations Management, Managing Director IOC Planning/Air Traffic Management/Central Loads, Director Dispatch Operations, Director IOC, Director Emergency Planning & Response, Managing Director Operations Planning, Manager Flight Planning & Weather Support, Director Air Traffic Management & Airfield Operations, Manager Technical Procedures & Training, Senior Manager IOC Technology. The above specified job titles are not all inclusive and shall include all current and future management positions related to the dispatch function as well as those job titles which may change in title due to department restructuring and/or growth. A covered employee selected for one of these positions will accrue seniority provided they continue to pay dues.

(a) Seniority will not govern in these selections. An unsuccessful applicant may request information on becoming more competitive for the next opening. The Company will respond to the employee within thirty (30) calendar days.

(b) An employee who is not terminated from the Company for misconduct will be permitted to return to the bargaining unit when he is affected in a reduction in management staffing or he is determined by the Company to be unsuitable for the position for which he was selected.

(1) If a vacancy exists or is expected to exist, he may take part in any resulting selection processes if his seniority permits and he meets the minimum experience requirements. If the employee is unsuccessful in the selection process, he may assume the resulting open position.

(2) If no vacancy exists or is expected to exist, he will displace the junior Flight Dispatcher.

(c) Any overstaffing created because of an employee's return to a covered position will not result in a furlough.

2. When an employee transfers to a position other than those in paragraph F.1 of this Article, he will accrue seniority and will retain his accrued seniority for a period of one (1) year, provided he pays dues. After the one (1) year period, he will be removed from Dispatch Group Seniority List and all seniority will be forfeited. The employee will have the right to return to an existing vacancy in the bargaining unit during this one (1) year period if his seniority permits. He will remain in that position until the next scheduled bid.

Subject To Final Review By The Company And TNU

**ARTICLE 11 - DIVISIONS, CLASSIFICATIONS, AND  
SELECT POSITION REQUIREMENTS**

- A. The International Division is comprised of sub-divisions designated as Europe, Pacific and Latin America (Caribbean/Mexico). The Domestic Division is comprised of flights within the U.S. and Canada. Each dispatcher is required to maintain his division qualifications through the normal training procedures. All Dispatchers are required to hold a domestic qualification. In addition to their primary domestic qualification, relief dispatchers will be required to carry one of the following secondary qualifications subject to the minimum experience requirements specified in paragraph B of this Article: Europe, Pacific, or Latin America. Dispatchers in Select Positions are required to hold a domestic qualification.
- B. A Dispatcher must have two-year's experience as a domestic Dispatcher before the Dispatcher can dispatch flights in the International Division.
- C. Dispatchers who are the successful bidders within the International Division must remain in that Division until the subsequent open bid year.
- D. Dispatchers who are selected by the Company for any Select Position as specified in Article 12 of this Agreement, must have a minimum of two (2) years' experience as a dispatcher:
- E. Dispatchers currently in a select position who do not meet the minimum experience requirement may be retained in their present position.
- F. Dispatchers who are selected for a Select Position shall remain in that position unless demoted through the provisions provided for in Article 12 (E), (F), and (G).
- G. Domestic Dispatchers, International Dispatchers, and each Select Position will be considered as independent classification groups for purposes of annual schedule bidding.
- H. For the purpose of covering overtime, all Dispatchers regardless of job assignment (domestic division, international division or select position) will be combined for the purpose of overtime proffer.

## **ARTICLE 12 - JOB VACANCIES, PROMOTIONS AND DEMOTIONS**

A. Any employee who has been qualified as a Dispatcher will be entitled to bid on a Dispatcher's vacancy.

B. A Flight Dispatcher vacancy is a vacancy for a regular job which results from the expansion of the required number of employees covered by this Agreement, the transfer of such employees to jobs with the Company not covered by this Agreement, or the permanent separation from the Company of such employees. A Flight Dispatcher vacancy is subject to bid and will be assigned to the senior qualified employee who bids for such vacancy.

1. A Flight Dispatcher vacancy will be subject to the provisions of Article 10(C).
2. Failure to accept such vacancy will be cause for termination.
3. Any Dispatcher's vacancy which exists after the recall list has been exhausted will be filled by the Company. Prior to filling the vacancy with a new hire employee, the Company will first consider a valid transfer request from a qualified applicant who possesses an Aircraft Dispatcher certificate and who is already employed by the Company within an AA/TWU agreement.

C. Job vacancies shall be classified into two (2) categories: Permanent and Temporary.

1. A permanent vacancy is a vacancy for a job anticipated to last more than six (6) months. Permanent vacancies which occur in conjunction with the annual bid shall be filled in accordance with this Agreement. Permanent vacancies which occur not in conjunction with the annual bid shall be filled in accordance with the leapfrog bid procedure as specified in Article 21 of this Agreement.
2. A temporary vacancy is a vacancy for a job anticipated to last six (6) months or less, a vacancy created by a personal or military leave of absence or a vacancy created by a special assignment to work outside or within the Company at the request of the Company occasioned by a national emergency, declared or undeclared.
3. The temporary job anticipated to last six (6) months or less will be designated as a primary vacancy at the expiration of six (6) months, except that whenever such temporary job is expected to exceed the six (6) months' limit, the Company and the Local TWU President may mutually agree to extend such temporary job.

4. Temporary Dispatcher vacancies will be filled at the Company's discretion.

D. Promotion to Select Positions, or other dispatch classifications other than International Dispatcher which warrant pay premiums, shall be governed by the following:

1. The Company will notify employees of the open Select Positions and allow fourteen (14) calendar days for employees to apply for the positions.
2. To apply for a Select Position, employees must meet the minimum qualification requirements specified in Article 11 of this Agreement as well as having demonstrated the ability to perform the job duty requirements as specified in Article 2 of this Agreement.
3. A panel composed of three (3) members of management and two (2) members of the Local, selected by the Locals President, will be formed to select the successful candidates upon termination of the bidding process.
4. Seniority will not govern these selections unless two or more employees for a position are considered equally qualified; in this case, the position will be awarded to the most senior employee.
5. An unsuccessful employee may request information on becoming more competitive for the next opening. The selection panel chairperson will respond to the employee within thirty (30) calendar days and offer guidance.
6. Employees selected to fill positions that are not in conjunction with the annual schedule bid will assume an open line. If a line(s) is vacated as a result of the selection process, a leapfrog bid will ensue to fill the vacated line provided six (6) months or more remain in the annual bid schedule.
7. If assignment to one of those positions is necessary, the most junior Employee meeting the minimum qualifications, will be assigned.
8. Employees selected or assigned to fill a select position not in conjunction with the annual bid shall have their vacation protected.
9. Employees currently in a position who do not meet the minimum experience requirement may be retained in their present position.

E. A demotion from any Select Position may occur when an Employee is determined by the Company to be unsuitable for that position. Following a minimum six (6) months trial period, the Company's determination that an Employee is unsuitable for a Select Position will be supported by documentation that the Employee was counseled.



The position from which he was removed will be filled in accordance with Article 12 (D). This demotion should occur to coincide with the annual bid so that no other Employee would be adversely affected. If the Company elects, they may demote the Employee prior to the annual bid provided the provisions of paragraph (G) of this Article are applied. The demoted Employee may take part in the selection process for any other Select Position.

F. Should an Employee express a desire for self-demotion he may return or be returned to the Employee's applicable rank. This demotion would occur to coincide with the annual bid so that no other employee would be adversely affected.

G. If an Employee is displaced from his work schedule line due to a permanent desk closure or other event, the employee will become an additional relief for the remainder of the current annual schedule. The employees originally bid scheduled line (days off and scheduled shifts), vacation, route check days and current trades already entered into the system will be protected except as provided for in this Agreement.

H. Dispatchers who upgrade once the annual bid has been completed shall be added to the relief lines unless a leapfrog bid or junior assignment permits otherwise.

Subject To Final Review By The Company And TWAU

### **ARTICLE 13 - SYSTEM SENIORITY LIST**

A. Seniority lists will be revised to reflect the seniority status of employees covered by this Agreement by January 15 and July 15 of each year. Such lists with changes highlighted will be posted at the IOC and an electronic copy shall be provided to the Local President and post online via Jetnet.

B. Employees will have sixty (60) calendar days, after the posting of such list in which to protest in writing to the Company any alleged omission or incorrect posting affecting their seniority in any such revised list. An employee may file a seniority protest form with his Local Union office. The Local Union office will investigate the protest and forward it, with a recommendation, to the International. The International will advise the Company if a change is required. The Company will then provide to the Local Union office in writing a response to the protest. The Union will hold the Company harmless with regard to any grievance which may arise as a result of any protest being sustained.

C. An employee affected by a reduction in force, or who is on vacation, leave of absence or on sick leave at the time the above list is posted, such employee may protest any alleged omission or incorrect posting within sixty (60) calendar days after his return to duty.

D. An incorrect posting which went unchallenged or uncorrected on a seniority list on which such incorrect posting first appeared may not be posted on a subsequent posting except that typographical and clerical errors may be corrected at any time.

#### **ARTICLE 14 - LOSS OF SENIORITY**

A. An employee once having established seniority will not lose said seniority except as provided in this Agreement.

B. An employee who is discharged for just cause will forfeit all seniority accrued to date of such discharge. An employee who resigns from the service of the Company will forfeit all seniority accrued to date of such resignation, except that an employee, who, on the effective date of resignation, holds recall rights pursuant to Article 16 may continue to hold such recall rights provided such employee submits a written request to hold recall rights prior to the effective date of his resignation.

C. If an employee who has been furloughed is offered the opportunity to return to the service, in other than temporary work, and such offer of recall is to employment of the same classification and status as furloughed from and such employee elects not to return to the service, or who fails to comply with the provisions of Article 16 (A) or (E), his seniority right of preference in reemployment will at that time terminate, and his seniority with the Company will be forfeited.

Subject To Final Review By The Company and Union

## **ARTICLE 15 - REDUCTION IN FORCE**

A. When there is a reduction in force, the employee with the least seniority in his classification will be furloughed. Within seven (7) calendar days of receipt of notice of furloughed, the employee shall indicate to the Company his acceptance of the rights set forth below:

1. A Flight Dispatcher or Dispatcher in Training may exercise his seniority to displace the junior Operations Specialist if he previously had held the position of Operations Specialist, or worked in that capacity as a Dispatcher Assistant, provided his seniority was established and continued to accrue in that or a higher classification
2. In the event more than one (1) employee in the Dispatcher classification is affected by a reduction in force the optional rights will be exercised in seniority order of those so affected.

B. When the junior employee is an employee on leave of absence whose job is being filled by a temporary employee, an employee affected by a reduction in force may exercise his seniority rights in accordance with paragraph (A) of this Article to the job of the employee on leave and the temporary employee will be furloughed.

C. An employee who elects not to retain or who is unable to retain employment under paragraph (A) will be recalled to the first non-biddable vacancy in the classification from which he was furloughed and to which his seniority entitles him. A Flight Dispatcher or Dispatcher in Training who exercises his right to displace an Operations Specialist will retain recall rights to the classification of Flight Dispatcher.

D. An employee furloughed by the Company due to a reduction in force will file his address with Director Dispatch Integrated Operations Control. Any change in address must be filed promptly, in writing, certified mail, return receipt requested, with the Director Dispatch Integrated Operations Control.

E. An employee furloughed by the Company due to reduction in force will continue to accrue seniority during such furlough except as provided below:

1. If any employee(s) who has been furloughed due to reduction in force is offered the opportunity to return to duty as an employee on a permanent assignment under the provisions of this Agreement and such employee(s) elects not to return, his seniority rights of preference in re-employment will at that time terminate and his seniority will be forfeited.
2. All seniority, reemployment and bidding rights will be cancelled at the end of ten (10) years from the effective date of such furlough. Such ten (10) years will not run against a former bargaining unit member while they are an active employee.

F. Upon request of the Local Union President, an employee may within seven (7) calendar days appeal to a review panel composed of a representative of the TWU International and the Vice President, Labor Relations, or their respective designees, any disputes regarding the Reduction in Force application or administration.

Subject To Final Review By The Company And TWU

## **ARTICLE 16 – RECALL**

A. An employee who elects not to retain or who is unable to retain employment as a result of a reduction in force will be recalled to the first vacancy in the classification from which he was furloughed and to which his seniority entitles him.

B. An employee furloughed by the Company due to a reduction in force will file his address with the Director Dispatch Integrated Operations Control. Any change in address must be filed promptly, in writing, certified mail, return receipt requested, with the Director Dispatch Integrated Operations Control.

C. All notices of recall will be made (telephonic notifications are okay if confirmed in writing) in writing via overnight mail/express (for example, U.S. Post Office, Federal Express, or equivalent). All employees must notify the person whose name is signed to the recall letter, within ten (10) calendar days of the date of mailing postmark of the recall letter, the date he will report for duty. Any employee who fails to notify the Manager or who fails to return to duty within thirty (30) calendar days of the date of the mailing (or equivalent) will be considered to have refused recall and will lose all rights to reemployment and his seniority will be forfeited, unless such period is extended by the Company for an additional period not exceeding fifteen (15) additional calendar days. The Company will furnish the ranking Local Union Representative a copy of all such recall letters.

D. An employee furloughed by the Company due to reduction in force will continue to accrue seniority during such furlough except as provided below:

1. If any employee(s) who has been furloughed due to reduction in force is offered the opportunity to return to duty as an employee on a permanent assignment under the provisions of this Agreement and such employee(s) elects not to return, his seniority rights of preference in re-employment will at that time terminate and his seniority will be forfeited.
2. All seniority, reemployment and bidding rights will be cancelled at the end of ten (10) years from the effective date of such furlough. Such ten (10) years will not run against a former bargaining unit member while they are an active employee.

E. Upon request of the Local Union President, an employee may within seven (7) calendar days appeal to a review panel composed of a representative of the TWU International and the Vice President, Labor Relations, or their respective designees, any disputes regarding the Recall application or administration.

## **ARTICLE 17 - LEAVES OF ABSENCE**

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

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

B. An employee, holding a position as an International TWU Representative, an International TWU Officer, or a full time position with the International Union or any of its locals, may request through the International Union a Union Business (Pay) Continuance Leave of Absence, referred to as "UBC". The request for a UBC will be in writing from the International Union. The request will be sent to the Vice President – Labor Relations. If approved by the Company, the UBC will not exceed twelve (12) calendar months or the term of office in the event of an elected position. The written approval will state the expiration date of the leave. An employee on a UBC will continue to retain and accrue seniority throughout the leave.

1. A UBC may be extended in the same manner as stated in Article 17(A). A request for an extension of a UBC must be submitted and approved prior to the expiration date of the current UBC.
2. If the UBC is extended, the employee will continue to retain and accrue seniority.

3. If an employee is on a UBC, there will be no interruption to the employee's pay and benefits. Failure of the responsible party to pay the billing will result in the termination of the UBC for the affected employee.

C. Leaves of absence for bona fide Union business will be granted if written request is submitted to the employee's supervisor in advance to accommodate the request. In the case of an employee holding a position as an International Representative, an International Officer of the Transport Workers Union or an employee holding a full time position within the International Union or any of its locals, the written request must be submitted by the Director Air Transport Division of the Transport Workers Union to the Vice President – Labor Relations. During this leave for Union business, known as "UB", the employee will maintain his benefits.

D. In lieu of a planned Reduction in Force, the Company will, to the extent possible, make Overage Leaves of absence (OL) available to TWU represented employees who have completed their probationary period. Requests for leaves under this procedure must be submitted to the Company in writing. Approved leaves will be granted in writing.

1. Prior to the authorization of any Overage Leave of Absence (OL), the Company, as appropriate, will review an implementation plan with the Local president and provide written notification to the Director of the Air Transport Division.
2. The number of such leaves of absence granted will be determined by the Company.
3. When an Overage Leave is declared, an employee who is on a leave of absence other than an Overage Leave, may request to have his leave converted to an Overage Leave. It is the employee's sole responsibility to request such conversion.
4. Upon proper application to the Company, leaves of absence under this procedure will be granted by job skill/work unit, in order of occupational seniority for periods of not less than one (1) week and no more than one (1) year. Extensions may be granted if there are no other Overage Leave requests on file.
5. Overage Leaves, once granted, may not be refused and must be accepted by the employee requesting the leave.
6. Due to the requirements of the service, the Company may cancel Overage Leaves granted under this procedure any time prior to the expiration date of the leave. In the event the Company wants to cancel a portion of the number of Overage Leaves, the cancellations will be in inverse seniority order.



7. An employee who has been granted a leave of absence under this procedure must submit his current address of record to the Department Manager approving the Overage Leave in writing. Thereafter, an employee on an Overage Leave must advise the Department Manager, in writing, within ten (10) calendar days of any change in address.
8. In the event the Company elects to cancel the leave of absence, the affected employee will be notified, in writing, by certified U.S. Mail, or equivalent carrier, return receipt requested, at the last address of record on file with the Department Manager.
9. An employee granted a leave of absence under this procedure will not be entitled to employment and will forfeit his seniority with the Company if:
  - (a) He fails to return to work on the specified date at the expiration of the leave; or
  - (b) He declines, in writing, his intention to return to work; or
  - (c) He does not indicate, in writing, his intention to accept or reject employment within seven (7) calendar days after receipt of notice of cancellation of the leave of absence; or
  - (d) He does not return to work on the date specified in the notice of cancellation of the leave of absence. The return date will not be less than seven (7) calendar days after receipt of the notice.
10. An employee, granted a leave of absence under this procedure, will continue to accrue Company, Occupational, and Classification seniority for all purposes during the leave of absence for a period not exceeding his previous service to a maximum of one (1) year.
11. An employee, returning to duty at the expiration of an Overage Leave, will return to the work unit/shop/shift where a vacancy exists and will, thereafter, be permitted to exercise his seniority on the next available shift selection.
12. An employee on an OL will receive benefits under the conditions provided below:
  - (a) While on an OL, the basic coverage of Medical, Dental, and Basic Life Insurance will continue for the employee. The employee must pay his portion of the costs in accordance with Company policy. If the employee is enrolled in any optional coverage, he must make payments for those benefits to remain in effect during the OL. Payments for optional coverage will be in accordance with

Company policy. An employee should contact the Benefits Hotline for the appropriate forms to calculate his individual costs.

- (b) The time on an OL will be considered as time worked for purposes of vesting and credited service for retirement benefits.
- (c) The time on an OL will be considered as time worked in determining vacation accrual and paid sick leave accrual.
- (d) Holidays that occur during an OL will not be paid.
- (e) An employee may keep all Company identification cards/badges during his OL. An employee retains full travel privileges during the OL, except for travel on other airlines which is not permitted. When traveling on an OL, the employee must prepay travel service charges at the ticket counter.
- (f) Premiums for the TWU LTD Insurance Plan must be paid for in advance of the OL and for the duration of the OL. An employee should contact his Local Union for the appropriate forms and information.
- (g) Benefit coverage and application not specifically provided in Article 17 will be applied in accordance with Company policy.

E. When an unpaid leave of absence is granted to an employee on account of sickness, injury, or pregnancy, referred to as a Sick Leave of Absence or "SKLOA", he will retain and continue to accrue his seniority until he is able to return to duty or is found to be unfit for his duty; except that in no case will a leave for sickness or injury exceed a total continuous period of five (5) years. The Company will provide one hundred and eighty (180) calendar days written notification prior to the expiration date of the five (5) year period. The notification will be made via certified mail, return receipt requested, to the employee's last known address. An employee must request a SKLOA in writing and attach medical documentation supporting the request. An approved SKLOA will be granted in writing and will specify the expiration date of the leave.

1. Application of SKLOA is referenced in Company policy.
2. An employee who is returning from a leave granted for reasons of sickness, injury, or pregnancy, will be permitted to exercise his seniority in resuming his classification or any lower classification at the station to which he has previously been assigned.

F. An employee granted a leave of absence under the provisions of the Family Leave Act, referred to as a Family Leave of Absence or "FMLOA" will retain and continue to accrue seniority during the leave, not to exceed ninety (90) calendar days.

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

H. Any written communication, required by Article 17, between the Company and an employee on a leave of absence will be via US Postal Service, or equivalent carrier, Certified Mail, Return Receipt Requested.

I. If any employee is on any leave of absence and he is affected by a reduction in force, his leave of absence will be terminated, and the provisions of Article 15 will be applied to the affected employee.

J. The rights of an employee on a leave of absence under the provisions of Articles 17 and 18, in regard to the maximum duration of a leave, Company seniority accrual, Occupational seniority accrual, Classification seniority accrual, vacation accrual, sick leave accrual, credited service for pension, and reinstatement rights are listed in the chart that follows.

Subject To Final Review By The Company And TWO

	<b>Union Leave</b>	<b>Personal Leave</b>	<b>Overage Leave</b>	<b>Unpaid Sick Leave of Absence (Including Maternity)</b>	<b>Unpaid Injury on Duty Leave</b>	<b>Military Leave</b>	<b>Family Leave</b>
<b>Duration of Leave</b>	Up to 12 Months or Term of Office	Up to a total of 12 Months	Minimum of 6 Work Days up to 1 Year	Up to 5 Years	Up to 5 Years	Up to 5 Years	Up to 84 Calendar Days (12 Weeks)
<b>Accrual of Company Seniority</b>	Duration of Leave	90 Days	Duration of Leave	Duration of Leave	Duration of Leave	Up to 5 years	Duration of Leave
<b>Accrual of Occupational Seniority</b>	Duration of Leave	Duration of Leave	Duration of Leave	Duration of Leave	Duration of Leave	Up to 5 years	Duration of Leave Not to Exceed 90 Calendar Days
<b>Accrual of Classification Seniority</b>	Duration of Leave	None	Duration of Leave	Up to 30 Calendar Days	Up to 30 Calendar Days	Up to 5 years	Up to 30 Calendar Days
<b>Vacation Accrual</b>	Duration of Leave	Up to 60 Calendar Days Then Reduced	Duration of Leave	Up to 60 Calendar Days Then Reduced	Duration of Leave	Up to 5 years	Up to 60 Calendar Days Then Reduced
<b>Sick Leave Accrual</b>	Duration of Leave	None	Duration of Leave	Up to 60 Calendar Days Then Reduced	Duration of Leave	Up to 5 years	Up to 30 Calendar Days
<b>Pension/Credited Service Accrual</b>	None	None	None	None	None	None	None
<b>Reinstatement Rights</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes

K. An Employee may request all or part of his accrued vacation when on an unpaid leave of absence.

L. Employees who are on approved leaves of absence and their dependents will be eligible to participate in the Company's group medical and insurance programs and non-revenue on-line travel benefits throughout any leave period in accordance with Company policy.

## **ARTICLE 18 - MILITARY LEAVE**

A. The reemployment and seniority status of any employee, who, while in the active service of the Company, entered the armed services or the Merchant Marine of the United States, will be governed by the provisions of the Selective Training and Service Act of 1948, as amended, now known as the Uniformed Services Employment and Reemployment Rights Act, or other applicable law.

B. Time spent on military leave will count as time worked for purposes of seniority, wage rates within the employee's classification and vacation.

C. An employee granted a leave of absence to go on a tour of duty with the National Guard or other reserve unit will accrue length of service for pay purposes for the period of such leave. An employee, if he so desires, will be able to use any accrued or unused vacation days during this leave.

An employee on military leave at time of furlough, lacking sufficient seniority to exercise options, will be placed on furlough status. The military leave will be terminated until the employee is recalled at which time the employee will be reinstated to military leave, if applicable. Appropriate adjustments will be made to Company, Occupational and Classification seniority.

Employees having sufficient seniority to exercise options at time of furlough (while on military leave), but who subsequently choose the furlough option (upon return from military leave), will be placed on the recall list with any adjustments to Occupational and Company seniority as applicable.

D. It is agreed that the national guard/reservist will not be eligible, nor asked to work overtime during scheduled active duty periods, or weekend drills, due to his leave of absence status.

## **ARTICLE 19 - FURLOUGH or TERMINATION OF EMPLOYMENT**

A. An employee furloughed through no fault of his own will be given two (2) weeks' notice in writing or, at the option of the Company, two (2) weeks' of pay as if working in lieu of the notice.

This requirement of notice will not apply to a furlough caused by an Act of God or by a strike of the employees of the Company without giving the notice required by the Railway Labor Act, as amended.

B. An employee who resigns will give the Company two (2) weeks' notice of resignation in writing. The Company may, at its option, give the employee two (2) weeks of pay as if working in lieu of working the notice period.

C. In the event an employee under this Agreement is furloughed, the Company will provide the following benefits to the employee and his dependents on the same basis as if he were still an active employee in accordance with Article 37.

Subject To Final Review By The Company And Two

## **ARTICLE 20 - BULLETIN BOARDS**

- A. The Company will provide secure and locked bulletin boards at each dispatch center where employees are employed, marked Transport Workers Union of America, AFL- CIO, and the appropriate Local number, for the posting of official notices of Union activities not inconsistent with the Railway Labor Act. Such notices will bear the signature of an officer of the Union and will not contain anything of a defamatory or personal nature attacking the Company or its representatives.
- B. The Company will provide bulletin boards as specified and agreed to by the Joint Safety Committee for safety related issues.
- C. The Company will also provide a file drawer, capable of being locked, for Union use at the Dispatch Center.
- D. It is further agreed that the Company will make available the electronic mail system for utilization by Union officers to notify its members of information posted on the Union bulletin board or union website.

Subject To Final Review By The Company And TWU

## **ARTICLE 21 – BIDDING PROCEDURES**

- A. All work schedule lines for bidding purposes and vacation allocation shall be established annually by the Company and will be for a one (1) year period.
- B. Management will coordinate with the Scheduling Committee to publish the annual work schedule and vacation bid as provided for in Article 42 of this Agreement.
- C. Schedule lines will be constructed in accordance with Article 3 of this Agreement.
- D. The Company reserves the right to determine the electronic or manual system used for the annual bids.
- E. Employees who elect to self demote from a Select Position as provided for in Article 12 (F) shall notify the Company in writing no later than July 1 for the next year's annual bid.
- F. If the Company elects to demote an employee in conjunction with the annual bid, the employee shall be given written notice no later than July 1 of the current year for the next year's annual bid.
- G. Unless mutually agreed otherwise by the Company and Local President, the following time line for establishment and bidding of the annual schedule and vacation selection shall apply:
1. No later than September 1<sup>st</sup> the annual work schedule, vacation allotment and bidding slots times for both the work schedule and vacation selection shall be published. It will include the bidding rules, dates and time of each employees bids as well as whether it will be an open or closed bid year for the International Divisions.
  2. No later than December 1<sup>st</sup> the annual schedule inclusive of vacation, training days and route check days shall be published for all employees.
- H. Schedule bidding procedures
1. Schedule lines will be awarded in order of occupational seniority pursuant to the provisions of Article 3.
  2. During a closed bid year:
    - (a) Domestic and International Dispatchers will bid schedule lines within their assigned classification.
  3. During an open bid year:
    - (a) Domestic and International Dispatchers will bid together.



4. Employees in the Select Position classifications except Check Dispatcher, will bid schedule lines within their assigned classification.
5. Employees must submit their schedule bid selection before the close of their bidding time period.
6. If an Employee fails to place his schedule bid selection during his scheduled time period, the bid process will continue.
7. An Employee who fails to submit his schedule bid selection before the close of the Employee's bidding time period, will be bypassed until the Employee submits his schedule bid selection and will be proffered only the remaining lines available at the time his schedule bid selection is submitted.
8. An Employee who fails to submit his schedule bid selection before the close of the office bid will be contacted following the close of the office bid and proffered the remaining schedule lines in order of their occupational seniority.

I. It is recognized that following completion of the annual schedule bid that scheduling overlaps may occur. If the occurrence results in a violation of the provisions contained in Article 3 of this Agreement, the following remedies shall be provided:

1. If the schedule overlap creates a violation of the seventeen (17) days of work out of each thirty (30) calendar days rule the employee shall be given day(s) off to meet the requirements during the overlap month.
2. If the scheduling overlap results in a rest period of less than nine (9) hours, the employees first shift of the new schedule shall be covered and the employee shall be given the day off for rest.
3. If the schedule overlap creates a violation of the seven (7) consecutive work day rule, the Company shall contact the Employee to determine if the Employee will agree to the schedule without change:
  - (a) If the Employee agrees then no further action is required on the part of the Company.
  - (b) If the Employee does not agree then the Company shall provide the required rest period and move the day to another point within the overlap month so as to comply with the provisions of Article 3. The equivalent shift will be added on the Employee's first available day off.

J. Vacation bidding procedures

1. Vacation days will be awarded in order of occupational seniority pursuant to the provisions of Article 8.
2. Employees must submit their vacation bid selection(s) before the close of their bidding time period.
3. If an Employee fails to place his vacation bid selection(s) during his scheduled time period, the bid process will continue.
4. An Employee who fails to submit his vacation bid selection(s) before the close of the Employees bidding time period will be bypassed until the Employee submits his vacation bid selection(s) and will be proffered the remaining vacation days at the time his vacation bid selection(s) is submitted.
5. An Employee who fails to submit his vacation bid selection(s) before the close of the office vacation bid will be contacted following the close of the office vacation bid and proffered the remaining vacation days in order of his occupational seniority.

K. In the event a permanent vacancy or temporary vacancy lasting more than six (6) months occurs not in conjunction with the annual bid, employees junior to such vacancy will be given the opportunity to rebid according to the following procedures ("leapfrog bids"):

1. The vacancy can occur due to any circumstances.
2. The Company reserves the right to determine the electronic or manual system used for the leapfrog bids.
3. The leapfrog bid may be used for work schedule and/or vacation day vacancies.
4. The Company at their discretion, may limit their obligation to qualify employees in another classification or division to no more than 4 cross trainings per leapfrog bid. Exercising of this option does not preclude the leapfrog bid from continuing once this limitation has been met provided employees exercising their right to leapfrog hold the qualification for the line they wish to assume.
5. The leapfrog bid shall begin with the most senior employee following the vacancy.
6. Leapfrog bids shall be awarded to employees in accordance with occupational seniority.

7. Dispatcher desk leapfrog bids are open to all domestic and international dispatcher line holders and vacation relief dispatchers.
8. Select position desk leapfrogs bids are open to select position Dispatchers within the vacated classification only after filling the vacancy in accordance with Article 12.
9. Vacation leapfrog bids are open to all Dispatchers regardless of classification.
10. Leapfrog desk bids will continue until a vacation Relief Dispatcher exercises their seniority rights and assumes a vacant permanent line.
11. Leapfrog bids within the Operational Specialists classification shall be governed by the same procedures as those for the Dispatch group.

Subject To Final Review By The Company And TWU

## **ARTICLE 22 - SAFETY**

- A. In case of an aircraft accident or incident, the Company and the Local President will mutually select one primary and one alternate representative from the Dispatch Flight Safety Committee, as Go-Team member/s. While on the Go-Team, such member(s) will be representatives of the Company and responsible for assisting the FAA and NTSB in the investigation. This representative will be other than the employee who was responsible for the flight and his expenses will be borne by the Company. The Company will provide all necessary training and medical requirements for each Go-Team member at its expense.
- B. The Local President or his designee will be notified of all safety demonstrations/drills, or actual events, including, but not limited to, office evacuation, hijacking, accidents, or mock computer outages.
- C. In the event of an on-going emergency situation the Dispatcher responsible for operational control in accordance with FAR 121.533 and 121.535 will be provided the assistance deemed necessary to help him make safety-related decisions. During such time he will be provided a work location that continues to provide all necessary work materials and frequencies required to perform his duties. His normal workload will be assigned to another Dispatcher.
- D. Any Positive Target Identification received in IOC will be relayed immediately to the Dispatcher responsible for operational control in accordance with FAR 121.533 and 121.535.
- E. The Union will have the right to confer with the Company on safety and sanitary conditions. Employees will report any unsafe equipment or conditions to their immediate supervisor. The Company will address any such safety issue in a timely manner.
- F. No person will direct an employee to undertake an unsafe course of action.
- G. Employees may file safety reports whenever they become aware of an unsafe situation. The employee filing the report and the Union Safety Committee will be informed of its status and final disposition.
- H. The Company will continue to use the Dispatcher responsible for operational control in accordance with FAR 121.533 and 121.535 as the primary point of contact for all communications with the Captain concerning operational or safety issues until completion of the flight or until properly relieved.
- I. Any security briefs provided to the crews will be provided to the Dispatcher responsible for operational control in accordance with FAR 121.533 and 121.535 in a timely manner.

## **ARTICLE 23 - ATTENDANCE AT HEARINGS OR INVESTIGATIONS**

### **A. Governmental Agency Hearings and Investigations**

1. A Dispatcher(s) requested by the Union shall be permitted to attend any Governmental Agency investigation or hearing being conducted as a result of any accident or incident involving any aircraft operated by the Company. This will not exceed three (3) Dispatchers, unless mutually agreed upon with the Company.
  - (a) The Dispatcher(s) shall be other than the Employee who was on duty and responsible for the flight operations over the section in which the accident or incident occurred.
  - (b) The Dispatcher(s) selected by the Union attending such hearing or investigation shall be considered on Union Leave.
2. An employee required by the Company to attend hearings or investigations at a time when he is not scheduled to be on duty will be paid for such time a minimum of one-half (1/2) day's pay at time and one-half (1-1/2) rates for any such attendance. If the hearing or investigation extends beyond four (4) hours, he shall be paid a full day's pay at time and one-half (1-1/2) rates.

### **B. Dispatcher Involved in an Accident or Incident**

1. Each Dispatcher responsible for the flight operation in which the accident or incident occurred who is relieved from duty, will be paid his applicable rate of pay for his scheduled shifts until he is cleared to return to duty by the Company.
2. Each Dispatcher who is drug and/or alcohol tested related to an incident or accident shall be relieved from duty and paid his applicable rate of pay for his scheduled shifts until the results are reported and the Dispatcher is cleared for duty by the Company.
  - (a) The Dispatcher will designate a contact number and will be available between 1500 – 1700 central, the day prior to his next scheduled shift.
  - (b) The Dispatcher will be eligible to return to duty at the conclusion of a minimum of ten (10) hours of rest beginning at 1700 central on the day of notification, including overtime eligibility.

## **ARTICLE 24 - ABSENCE FROM DUTY**

A. An employee unable to report for duty will, unless prevented by reasons beyond his control, notify his immediate supervisor or other central point set up for reporting purposes by the Company as far in advance of the scheduled starting time of his shift as possible.

B. The Company acknowledges the right of an employee to use his sick leave benefit for the purpose intended in this Agreement, as set forth in Article 34. Accordingly, no employee will be disciplined for the use of his sick leave benefit for such purpose.

Subject To Final Review By The Company And Union

## **ARTICLE 25 - TRAINING**

### **A. General**

Dispatch Training will include all training required for the performance of the dispatch function and the rendering of the customary dispatcher service to the Company and will be specified in the Dispatch Training Manual. The Union will be made aware of amendments to Dispatch Training required by the FAA or an NTSB ruling.

### **B. Dispatch Trainers**

1. In addition to their normal duties, Dispatch Trainers shall also be qualified as Competency Check Dispatchers with the following requirements and restrictions:
  - (a) Dispatch Trainers shall meet the same selection criteria and qualifications as a Competency Check Dispatcher.
  - (b) Dispatcher Trainers shall perform no more than three (3) and no less than one (1) competency check per month or the equivalent thereof.
  - (c) In order to maintain proficiency, Dispatch Trainers shall be scheduled to perform the Dispatch function one (1) time per month or the equivalent thereof.

### **C. Initial Testing and Competence Check**

1. If an Employee fails his Dispatcher initial training examination, he will be retrained by a different instructor and another examination will be administered. If he fails the subsequent examination, he will be removed from the Dispatcher Seniority List and his employment with the Company may be terminated.
2. If an Employee fails his Dispatcher initial competence check, he will be retrained on all deficient subjects and a different Check Dispatcher will administer another competence check. If he fails the subsequent competence check, he will be removed from the Dispatcher Seniority List and his employment with the Company may be terminated.
3. An Employee properly removed from the Dispatcher Seniority List and terminated under the provisions of this paragraph will be deemed to have been discharged for just cause within the meaning of the terms and provisions of this Agreement.

### **D. Recurrent Training**

1. Recurrent Training days shall be assigned on the Dispatcher's yearly schedule after the schedule line bids and vacation bids are awarded.
2. A Dispatcher shall accomplish his required proficiency or regulatory training within the time provided. If, due to an unexcused absence, as determined by Company policy, the Dispatcher misses his training he will be required to complete such training when it is made available. If the Dispatcher fails to attend such class when it is made available, he will be removed from the schedule without pay until the training is completed.
3. Dispatchers may trade their Recurrent Training days to a different day provided the trade is made with another employee also scheduled for training or an opening exists in the class schedule they wish to trade into.
4. A Dispatcher Instructor is not required to be present when employees use training materials provided by the Company, including computer based training.
5. A full day of training will be nine (hours), inclusive of a one (1) hour lunch break. The Company reserves the right to schedule training classes in conjunction with a Dispatcher's regular scheduled shift, not to exceed ten (10) total hours of work.

E. Competency Checks

1. Will be given by an eligible Competency Check Dispatcher.
2. Will be standardized and cover basic dispatch proficiency.
3. Competency checks performed on an active dispatch desk shall be for observational purposes only and used for the determination of competence.
4. Dispatcher Competence Check Evaluation
  - (a) A Dispatcher will be afforded a minimum of three (3) attempts to pass his Competence Check Evaluation.
  - (b) A Dispatcher who fails any portion of his Competency Check shall be:
    - (1) Removed from the desk
    - (2) Debriefed on his deficiencies and possible causes will be discussed.
    - (3) Allowed a Union Representative at debrief, provided one is reasonably available.



(4) Provided the areas of deficiency in writing.

(5) Trained on areas in which he is deficient and given another Competency Check on the areas of deficiency. The subsequent competency check shall be performed by a different Check Dispatcher.

(c) If a Dispatcher feels he is unjustly failed on his Competency Check, the Dispatcher, the Check Dispatcher administering the check, the Director Dispatch Operations, and a Union Representative will meet to decide the validity of the complaint. If warranted, further escalation shall be remedied through the Grievance Procedure as specified in Article 31.

F. Operational Familiarization Flight

1. Dispatchers will be afforded must ride status (A3D) for their Operational Familiarization Flights.
2. International Dispatchers who perform their annual Operational Familiarization Flight on an international flight longer than five (5) hours will be provided coach class rest seat, upgradeable to business or first class, for all time the Dispatcher is not required by the FAR's to occupy the jumpseat.
3. International Dispatchers performing their annual Operational Familiarization Flight shall be provided a business travel positive space pass for all flight segments positioning to or returning from the Operational Familiarization Flight.
4. On international route checks, Dispatchers will be provided the same accommodations and transportation to and from the hotel with the flight crews when available.
5. If a Dispatcher fails to complete his required Operational Familiarization Flight he will be relieved of duty until such Operational Familiarization Flight is completed. The Dispatcher will not be paid for the time missed.

G. Scheduling Operational Familiarization Flights

1. For European, Pacific, and Latin America (south of 5 degrees North Latitude) Operational Familiarization Flights the Dispatcher will be given three (3) days off consecutively and assigned an Operational Familiarization Flight on those days.
2. For Pacific (Hawaii) and Latin America (Caribbean) Operational Familiarization Flights the Dispatcher will be given two (2) days off

consecutively and assigned an Operational Familiarization Flight on those days.

3. For Domestic Operational Familiarization Flights the Dispatcher will be given one (1) day off and assigned an Operational Familiarization Flight on that day.
4. Dispatchers shall perform the first day of their primary qualification route check on an off day. If any additional days are required in accordance with paragraph G.1. or G.2. above, those days shall be scheduled in conjunction with days off prior to or at the end of the Dispatcher's normal work week.

Subject To Final Review By The Company And ATCU

## **ARTICLE 26 - EXPENSES**

- A. When an employee is required to perform work away from his base station on his regularly scheduled workdays, he will be paid at least nine (9) hours at his regular hourly rate for each regularly scheduled workday while away from his base station, whether traveling, on call or working. Up to two (2) days per year, an employee may be required to perform work away from his base station at the BRCC, during which time the employee shall only be paid mileage reimbursement. On subsequent days within the year, employees shall be reimbursed for (1) hour travel time at the overtime rates in addition to the mileage reimbursement.
- B. When an employee is required to perform work away from his base station on his off duty period, he will be paid at least nine (9) hours compensation at overtime rates, whether traveling, on call or working.
- C. An employee required to travel in excess of nine (9) hours will be compensated for all travel time required in accordance with Article 6. Compensated travel will be considered as time worked.
- D. When an employee is required to perform work away from base station on a day during which he reported for work at his base station, all continuous time, whether traveling or working, will be computed as working time for all purposes.
- E. During such assignment, the employee will, while away from base, be paid actual expenses for meals, lodging and transportation. All expenses must be approved and paid for by the Company. Whenever receipts are not provided, the employee will be paid in accordance with the Company Policy.
- F. Expense Reports must be prepared on the form provided by the Company and filed promptly at the end of each trip.
- G. Employees on an International Route check will be reimbursed for actual and reasonable costs of hotel and meal expenses. In the event of irregular operations or unforeseen circumstances, Dispatchers must contact the Director of Dispatch Integrated Operations Control to discuss any alternative arrangements or additional expenses which may be incurred.
- H. Dispatchers will be reimbursed for Passport and CASS fees. Additionally, Dispatchers holding an International Division bid will be reimbursed for all expenses for required Visas, and Global Entry Fees. Mailing expenses and photo expenses will not be covered. If it is required that the Dispatcher's route check enters an area where inoculations are required, the Dispatcher will be reimbursed for those expenses. Reimbursement for other all other applicable services shall be made in accordance with company policy.

I. To address questions or issues not foreseen at this time, it is agreed that the Director Dispatch Integrated Operations Control and the Local Union President will meet to review and resolve such questions or issues.

Subject To Final Review By The Company And TWU

## **ARTICLE 27 - LEGAL REPRESENTATION**

A. The Company will, at its own expense, provide legal representation for any Dispatcher named as a defendant or subpoenaed as a witness by a third party in any legal proceedings (including those initiated by fellow employees) arising out of such Dispatcher's performance of his duties with the Company within the scope of his employment, and will also indemnify such Dispatcher against any money judgment or award rendered against him. It is expressly understood that the Company's obligations as set forth herein will apply equally to legal proceedings against a Dispatcher's estate. The foregoing will not apply when the claims arise from the intentional misconduct of the Dispatcher. A Dispatcher or his estate will not pay costs of aircraft, equipment or other property damaged in the performance of his duties with the Company.

Subject To Final Review By The Company And Union

**ARTICLE 28 -**  
**NO DISCRIMINATION, AND RECOGNITION OF RIGHTS AND COMPLIANCE**

A. The Company and the Union agree to make it a matter of record in this Agreement that in accordance with the established policy of the Company and the Union, the provisions of this Agreement will apply equally to all employees regardless of sex, color, race, creed, age, religious preferences, status as a veteran or military reservist, disability or national origin.

B. Except as provided herein, it is the exclusive duty and right of management to manage and direct the employees, including the right to hire, promote, demote, transfer, assign, discipline, discharge and to perform all other inherent rights and duties of management, provided these rights are not used for the purpose of discriminating against any employee because of membership or non-membership in the Union or in violation of any of the terms of this Agreement.

C. Any decisions or agreements relating to the interpretation or application of this Agreement made jointly by the Company and the Union will be binding on every individual employee claiming or entitled to the benefits of this Agreement.

D. Except as otherwise provided in the Agreement, all letters of discipline whether warning or suspension will be removed after a period of two (2) years from date of issuance, unless the Company and the Union agree to a shorter period.<sup>1</sup>

E. Copies of the Peak Performance Through Commitment (PPC) Program will be available to all employees upon request. Any changes to the PPC Program will be provided and explained to the Union prior to implementation.

F. If the Company documents records of discussion or counseling held with an employee, the documentation will be on a form designed to ensure that the record accurately reflects the facts and the nature of the discussion or counseling held with the employee. The employee will indicate his acknowledgement of the discussion or counseling in the actual record or at his option he may place a rebuttal or statement in the actual record. The employee will be provided a copy of the final actual record.

G. Each employee will have a right to meet with his supervisor at a mutually agreeable time to discuss his performance and to review his personnel file. At that time, the supervisor and the employee will review the personnel file to ensure that the provisions of this Article have been complied with. Should the supervisor and the employee agree to modifications or deletions to the counseling records, their request and recommendation will be forwarded to the supervisor's immediate manager, who will review the matter and respond to the supervisor and the employee.

H. If there is an investigation of sexual harassment and the charged employee is exonerated of the charges, no entry regarding the charge or investigation will be made in the counseling records. Any entry previously made will be deleted from the

counseling records. In other cases, a counseling record entry, if any, will reflect only the nature of the discussion with the employee. As always, the employee has the right to review the counseling record entry and provide any additional information desired.

<sup>1</sup>[In the event that the IAM-TWU negotiations for the Mechanic and Related and/or Fleet Service groups result in a shorter disciplinary letter retention period, the shorter period will be applied to Article 28.D of this agreement.]

Subject To Final Review By The Company And TWU

## **ARTICLE 29 - REPRESENTATION**

A. The Union may select and designate such representatives in the respective fields, dispatch office, and other working units as may be necessary for the purpose of representing the employees under the terms of this Agreement, or in accordance with the Railway Labor Act, as amended. The number of Union Representatives that will confer with management at any one time on any issue will be equal to the number of management representatives. In meetings convened under Article 29(F), where there is more than one management representative present, one of the Union Representatives will be present to act as a scribe.

B. The Union may designate a System Coordinator for the employees covered by the Agreements between the Company and the Union.

C. The Union will notify the Company in writing of the names of its Accredited Representatives designated in paragraph (A) and (B) above and of any subsequent changes to those Representatives. The Company will inform the Union, in writing, of the supervisors with whom these Accredited Representatives will deal and of any subsequent changes to those supervisors.

International Officers, Local Union Officers and Local Union Representatives will, at any time during regular working hours, have access to the premises of the Company where employees covered by this Agreement are located, for the purpose of investigating grievances or other matters directly connected with the operation of this Agreement and its procedures for the settlement of any dispute. Notice of an intended visit will be given the ranking Company official or his designated representative. A visit will be subject to such reasonable regulations as may be made from time to time by the Company, but the Company will not impose regulations that will render ineffective the intent of this provision nor impair the privacy of any conference necessary to accomplish the purpose of the visit.

D. An 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 and which has not yet become the subject of an actual grievance, will have the right within ten (10) calendar days after the 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 decision in writing within fifteen (15) calendar days. Disputes in respect to actual grievances will be handled exclusively according to the provisions of Article 31, Grievance Procedure.

This provision will also apply to a Local President with respect to improper application or interpretation of this Agreement affecting a group of employees within the jurisdiction of his Local Union. The protest will be filed with the appropriate Chief Operating Officer of the Company.



When an actual grievance has been filed other than under this paragraph, the International or Local President may rescind the grievance and initiate a protest under this paragraph, within ten (10) calendar days after the decision to rescission.

E. If no settlement is reached under Article 29(D) an appeal may be made, in writing, within thirty (30) calendar days to the System Board of Adjustment established under Article 32 of this Agreement.

F. The Union does not question the right of the Company supervisors to manage and supervise the work force and make reasonable inquiries of employees, individually or collectively, in the normal course of work. In meetings for the purpose of investigation of any matter which may eventuate in the application of discipline or dismissal; or when written statements may be required; or of sufficient importance for the Company to have witnesses present, or to necessitate the presence of more than one Company supervisor; or during reasonable cause or post-accident drug/alcohol testing as provided in Article 29(H), the Company will inform the employee of his right to have Union representation present. The supervisor's record will reflect if the employee does not desire Union representation.

1. When the Company convenes a meeting under the provisions of Article 29(F), it will, except for rare or compelling reasons, indicate the purpose of the meeting and then provide the opportunity for an employee and Union representative to confer, for a reasonable period of time. Once the Article 29(F) meeting reconvenes it will continue until concluded by the supervisor.
2. Before written notification of discipline or dismissal is given an employee, he will be afforded the opportunity to discuss the matter with his supervisor. If he so desires, he will have a Union representative in this discussion. Nothing in this Article will be construed as preventing the Company from holding an employee out of service pending an investigation, provided the employee will be paid as if working for all regularly scheduled hours while held out of service, except when he is withheld for:
  - (a) Action constituting a criminal offense, on or off duty.
  - (b) Refusal or adulteration of an alcohol/drug test or verified positive drug or confirmed positive alcohol test from the date on the letter of verification/ confirmation.
  - (c) Failure to cooperate with an investigation.

G. An employee covered by this Agreement who is interviewed by a Company Security Department representative as part of a Security Department investigation may, upon request, have a TWU representative present during the interview. If a local TWU

official is not readily available after a request, the Company's Security Department will not be required to wait for his availability before conducting the interview. However, the employee may request the presence of another TWU represented employee (peer witness) during the interview. The role of the TWU representative or peer witness will be that of a silent observer only. The representative or witness may in no way interfere nor impede the Security Department's investigation and/or interview.

H. Employees who are required to take a reasonable cause or post-accident drug/alcohol test by the Company may, upon request, have a Union Representative present as a witness during those parts of the specimen collection process indicated below:

1. In those stations where a Local Union Representative is not readily available, the Company will delay the test for up to one (1) hour from the time the employee requests or is notified of this right to Union representation, whichever occurs first, in order to allow the first available representative to be present at the medical facility.
2. If normal travel time to the medical collection facility exceeds one (1) hour, then the one (1) hour waiting period will be extended by the amount of travel time in excess of one (1) hour. This is in accordance with the FAA's directive of July 1990, which prohibits the presence or absence of a Union Representative from in any way hampering or delaying the collection process.
3. Only one (1) Union Representative will be allowed to accompany an employee to the medical collection facility and into the area where the medical collector opens the drug testing kit, completes the relevant paperwork and secures the kit after completion of the collection process. The Union Representative will be allowed to witness the opening of the collection kit by the collector, the documentation of the chain of custody procedure by the collector and the employee, and the packaging and sealing of the kit for shipment following the collection. The Union Representative will not be allowed to accompany an employee or collector into a restroom.
4. In accordance with the FAA's directive of July 1990, no Union Representative will engage in any activity, which disrupts the collection process. Should the Union Representative engage in disruptive activity, the Union Representative will be required by the Company's Supervisor to wait in the employee/patient waiting area until the collection process and paperwork has been completed. This is pursuant to the FAA's directive.

I. Information obtained from any recording device may be used as a basis for corrective action, but shall not be the sole grounds for disciplinary action against an Employee.

Subject To Final Review By The Company And TWU

### **ARTICLE 30 - DISMISSAL**

A. An employee who has passed his probationary period will not be dismissed from the service of the Company without written notification of that action. The notification will include the reason or reasons for his dismissal. An Appeal from dismissal will be made, in writing, by the employee within ten (10) calendar days after receiving the notification and will be addressed to the Chief Operating Officer or his designee, with a copy to the appropriate Human Resources Office. The Chief Operating Officer, or his designee, will fully investigate the matter and render his written decision as soon as possible, but not later than ten (10) calendar days following the receipt of the appeal, unless mutually agreed otherwise. A copy of the written decision will be provided to the Union.

The inability of the Chief Operating Officer, or his designee, to complete the investigation and render his decision within ten (10) calendar days will permit the Union to file directly for arbitration and will result in a monetary penalty equivalent to four (4) hours of pay as if working per day until the decision is issued.

B. If the decision of the Chief Operating Officer, or his designee, is not satisfactory to the employee, the dismissal and decision thereon will be appealed in accordance with (C) below, provided, however, said appeal must be submitted within twenty (20) calendar days of receipt of the decision rendered by the Chief Operating Officer or his designee.

C. An appeal from the decision of the Chief Operating Officer or his designee will be submitted to the appropriate Board of Adjustment in accordance with Article 32. The System Board of Adjustment will docket the case and, if the procedural requirements for the appeal have been satisfied, promptly transmit the appeal papers to the appropriate Area Board of Adjustment in accordance with Article 32. Any dispute as to whether all of the procedural requirements for the appeal have been satisfied, or whether the case is within the jurisdiction of an Area Board, will be determined by the System Board of Adjustment, except as provided in Article 32(C)(5).

D. Nothing in this Agreement will extend the right of investigation and hearing to an employee during his period of probation as defined in Article 9 of this Agreement.

E. If, as a result of any hearing or appeal therefrom, as provided herein, an employee is exonerated, he will, if he has been held out of service, be reinstated without loss of seniority and will be paid for such time lost in an amount which he would have ordinarily earned had he been continued in service during such period.

F. If, as a result of any hearing or appeal therefrom, as provided herein, the employee will be exonerated, the Personnel record will be cleared of the charges.

G. When it is mutually agreed that a stenographic report is to be taken of the investigation and hearing, in whole or in part, the cost will be borne equally by both parties to the grievance. In the event it is not mutually agreed that a stenographic report

of the proceedings will be taken, any written record of such investigation and hearing, made by either of the parties to the grievance, will be furnished to the other party to the grievance upon request, provided that the cost of such written record so requested will be borne equally by both parties to the grievance.

Subject To Final Review By The Company And TWU

## **ARTICLE 31 - GRIEVANCE PROCEDURES**

A. Should any controversy arise between the Company and an employee or a group of employees as to the meaning of any of the terms of this Agreement concerning rates of pay, rules or working conditions, or should any employee feel that in the application by the Company to him of any of the terms of this Agreement concerning rates of pay, rules or working conditions, he has been treated unjustly, such employee may present his grievance in person or through his representative within ten (10) days, exclusive of Saturdays, Sundays and holidays, of his becoming aware of such alleged unjust treatment, to the Managing Director Dispatch Operations under whose supervision the employee falls, or his designated representative, who shall evaluate the grievance and render his decision as soon as possible but not later than ten (10) days, exclusive of Saturdays, Sundays and holidays, following receipt of said grievance.

B. If the decision of the Managing Director Dispatch Operations or his designated representative is not satisfactory to the employee, it may be appealed within ten (10) days, exclusive of Saturdays, Sundays and holidays, to the Managing Director-System Operations Control who will, either personally or through a designated representative, render a decision thereon as soon as possible but not later than ten (10) days, exclusive of Saturdays, Sundays and holidays, after the appeal is submitted to him.

The inability of the Managing Director-System Operations Control to complete the investigation and render his decision within ten (10) calendar days will permit the Union to file directly for arbitration and result in a monetary penalty of eight (8) hours additional pay, as if working, to the grievant. Any monetary penalty paid does not cancel or render any judgment regarding the merits of the grievance.

C. If the decision of the Managing Director-System Operations Control or his designated representative is not satisfactory to the employee whose grievance is being considered, the matter may be appealed to the "American Airlines Flight Dispatchers' System Board of Adjustment", as provided for in Article 32 of this Agreement, provided said appeal must be submitted within twenty (20) days of receipt of the decision by the Managing Director-System Operations Control or his designated representative and provided further that the System Board of Adjustment has jurisdiction over the matter.

All submissions to the System Board of Adjustment will be made in conformity with Article 32.

D. An Accredited International Representative, the President of Local 549 of the Union, or the American Airlines Section Chairman 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 and which has not yet become the subject of an actual grievance, shall have the right within ten (10) days after such alleged misapplication or misinterpretation has been ascertained to protest such violation in writing to the other

party, who shall evaluate such protest and render a decision in writing within fifteen (15) days. Protests filed by an Accredited International Representative shall be limited to those disputes involving employees at the Dispatch Center or which involve application or interpretation of this Agreement.

Disputes in respect to actual grievances shall be handled exclusively according to the provisions of this Article.

When actual grievances have been filed other than under this sub-paragraph, the Union may rescind such grievances and initiate a protest under this sub-paragraph, should it desire, within ten (10) days after such rescission.

A protest initiated by the Union under this sub-paragraph shall be submitted to the Managing Director-System Operations Control or his designated representative.

E. If no settlement is reached under paragraph (d) of this Article, an appeal may be made in writing within thirty (30) days to the System Board of Adjustment established under Article 32 of this Agreement.

F. If any decision made by an official of the Company under the provisions of this Article is not appealed by the employee affected or by the Union in the case of a protest within the time limit prescribed herein for such appeals, such decision shall be final and binding.

G. When, under the operation of this Agreement, an employee hereunder is chosen to act as the representative of or a witness for another employee against whom charges have been preferred, such employee shall, when the requirements of the service permit, be given leave of absence for a time sufficient to permit him to appear as such representative or witness.

H. Grievances involving wage claims must be filed promptly after the cause giving rise to the grievance is evident and wage claims shall not be valid and collectible for a period longer than thirty (30) days prior to the date of discussing the grievance as provided in paragraph (a) of this Article or the date the grievance arose, whichever is more recent.

I. All grievances handled under the procedure provided above will be in writing and will be signed by the employee whose grievance is being handled. In cases in which the aggrieved employee authorizes his representative to handle his grievance for him, the submission of the grievance or appeal will be accompanied by a statement signed by the employee fully authorizing his representative to act for him in the disposition of his grievance. Two (2) copies of all grievance answers will be given to the Local Union.

J. An employee who has a grievance may present his grievance to his immediate supervisor during regular work hours. An Accredited Representative of the Union may

investigate, discuss and present a grievance of an employee or employees during regular work hours without suffering loss of pay for time so spent.

K. If any decision made by the Company under the provisions of this Article is not appealed by the employee affected within the time limit prescribed herein for such appeals, the decision of the Company will become final and binding.

L. If, as a result of a decision in any of the steps of the grievance procedure, an employee is exonerated, all related disciplinary records will be removed from the employee's personnel file. In addition, if he has been held out of service, he will be reinstated without loss of seniority and he will be paid at regular rates for his regularly scheduled hours as if working.

M. When it is mutually agreed that a stenographic report is to be taken of any hearing, in whole or in part, the cost will be borne equally by both parties to the dispute. When it is not mutually agreed that a stenographic report of the proceedings is to be taken, any written record available of the hearing made by either of the parties to the dispute will be furnished to the other party to the dispute upon request, provided that the cost of the written record requested will be borne equally by both parties to the dispute.

N. Upon the request of an Accredited Union Representative, the Company will inform the Union of its decision on any grievance regarding which a formal hearing or investigation has been held at which the aggrieved employee was not represented by his Accredited Union Representative.

O. The time limits specified in this article may be extended by the mutual agreement of the parties to the Agreement. Requests for extensions and responses to them by either party will be in writing.



## **ARTICLE 32 - BOARDS OF ADJUSTMENT**

### **A. System Board of Adjustment**

1. Pursuant to the provisions of the Railway Labor Act, as amended, the parties establish a System Board of Adjustment and Area Boards of Adjustment for employees covered by this Agreement.
2. The Boards will have jurisdiction only over disputes between the Company and the Union or any employee or employees governed by this Agreement growing out of grievances involving discipline, discharge and interpretation or application of this Agreement including disputes over the content of an employee's personnel file, whether hard copy or electronic, to the extent such information can be used for discipline. The Boards will have no jurisdiction, whatsoever, over proposals or disputes relating to general changes in hours of work, rates of pay, rules, or working conditions. Proposals relating to general changes in hours of work, rates of pay, rules, or working conditions will be handled in the manner provided for in Article 47 of this Agreement. Board Hearings may be postponed, in writing, by mutual agreement of the Director of the Air Transport Division and the Vice President – Employee Relations.
3. The System Board of Adjustment will be composed of a Company member, a Union member, and a neutral referee. Either party may cause the services of the neutral referee to be terminated, except as to cases already submitted to him pending a decision, by giving written notice to the other party and to the neutral referee.
4. If a neutral vacancy occurs and the Company and the Union cannot agree on a successor within fifteen (15) calendar days unless extended by mutual agreement, the American Arbitration Association will be requested to select a neutral in the manner described in Rule 12 of its Voluntary Labor Arbitration Rules, as amended.
5. The System Board will meet in the city where the general offices of the Company are maintained, unless a different location is agreed upon by the Union and the Company.
6. In order to expedite System Board Hearings, the parties may agree to hear procedural issues, such as alleged 29(f) violations, timeliness issues, or jurisdictional issues, prior to the presentation of the merits of the case.

### **B. Procedures Generally Applicable to the Board**

1. If the designated Company representative and the designated Union representative for any Board jointly consider a case of sufficient urgency and importance to warrant an expedited hearing, a hearing will be scheduled within fifteen (15) calendar days, unless shortened or extended by mutual agreement, of their decision to expedite the case.
2. An appeal to a grievance decision arising out of Articles 29, 30, and/or 31 will be submitted in writing, as provided below, and includes the following information:
  - (a) the name, personnel number, job classification, and the number of the Local Union for the employee(s) involved;
  - (b) a statement that the provisions of Articles 29, 30, and/or 31 have been exhausted;
  - (c) a statement of the nature of the dispute, including the articles in question, and whether the dispute involves discipline/discharge or a contract interpretation or application;
  - (d) the position or contention of the party filing the submission;
  - (e) the remedy sought.
3. The written appeal will be sent to the International TWU in the form of a petition. The International TWU will assign a case number and forward the appeal and two (2) copies, with the case number noted on each, to the Employee Relations Department. The scheduling of cases to be heard before the Boards is an administrative matter addressed by mutual agreement between the Union and the Company.
4. A petition will be served upon the other party, who shall have the right, within fifteen (15) days after receipt to file a written answer.
5. Employees and the Company may be represented at Board hearings by any person or persons as they may choose and designate. Evidence may be presented either orally or in writing or both.

The advocates will exchange all documents they may enter and the names of witnesses they may call in their direct case no later than ten (10) calendar days prior to the date set for the hearing. Nothing in this paragraph will require either advocate to present the documents or the witnesses provided above during the course of the hearing. The advocates will not be restricted from entering documents or calling witnesses that become known subsequent to the ten (10) calendar day exchange, provided a minimum of forty-eight (48) hours' notice is

provided to the other advocate and copies are submitted to the other advocate prior to the presentation of the direct case. The advocate receiving the late document or witness has the option to postpone the hearing in light of the new document or witness.

6. Upon the request of either party to the dispute or of two (2) Board members, a Board will summon witnesses to testify at Board hearings. The Company will cooperate to ensure that all witnesses summoned by the Board will appear in a timely fashion. Reasonable requests by the Union for employee witnesses will be honored. The requests for witnesses will normally not exceed those who can be spared without interference with the service of the Company. Disputes arising from this provision will be immediately referred to the Director of the Air Transport Division and the Vice President of Employee Relations, or their respective designees, for resolution.
7. A majority vote of all members of a Board will be sufficient to make a finding or a decision with respect to any dispute properly before it, and the finding or decision will be final and binding upon the parties to the dispute. The Union and the Company will at all times have their respective Board members available at the convenience of the various neutral referees, and alternate members will be provided by the Union or the Company, as the case may be, whenever its regular Board member is not available. If an alternate member is not provided within a reasonable period of time, the neutral referee will proceed with the hearing and decision of the matters before the Board without participation by the absent member. In that case, the decision of the neutral referee will constitute the decision of the Board.
8. The failure of a Board to decide a dispute under the procedure established in this Article will not serve to foreclose any subsequent rights or procedures which the Railway Labor Act, as amended, may provide with respect to the settlement of those disputes, and nothing in this Agreement will be construed to limit, restrict, or abridge the rights or privileges accorded to either the employees, or to the employer, or to their duly Accredited Representatives, by said Act.
9. Board findings and decisions will be stated in writing and will be rendered within thirty (30) calendar days from the close of hearing, unless the period is extended by agreement of the parties to the dispute. In each case a copy of the finding or decision will be furnished the Company, the Union, and the employee or employees that are parties to the dispute. If a dispute arises as to the interpretation of the finding or decision, then, upon request of the Company, the Union, or the employee or employees that are parties to the dispute, the Board will interpret the finding or decision.

10. The System Board and each Area Board will keep complete and accurate records of all matters submitted to it and of all findings and decisions made. A stenographic record at all Boards will be taken if requested by either party to the dispute. In that case, the cost of the record will be borne by the requesting party. The other party, upon request, will be furnished a copy of the record, in which case the cost of that record will be borne equally by both parties to the dispute.
11. Each party will assume the compensation, travel expense, and other expenses of its Board members and the witnesses it summons.
12. So far as space is available, witnesses who are employees of the Company will receive free transportation over the lines of the Company from the point of duty or assignment to the point at which they must appear as witnesses and return, to the extent permitted by law.
13. Each Board, upon agreement of a majority of its members, will have the authority to incur expenses necessary for the proper conduct of the business of the Board. Those expenses, as well as the expense of each neutral referee, will be shared equally by the parties. Union Board members who are employees of the Company will be granted necessary leaves of absence for the performance of their duties as Board members. So far as space is available, the Board members will be furnished free transportation over the lines of the Company for the purpose of attending Board meetings to the extent permitted by law.
14. Every Board member will be free to discharge his duty in an independent manner, without fear that his individual relations with the Company, the Union, or with the employees covered by this Agreement may be affected in any manner by any action taken by him in good faith in his capacity as a Board member. Each party will specifically instruct each Board member selected that he will at all times, while serving in that capacity, act not as a partisan or advocate of a partisan group or cause but will act and serve solely to render impartial findings and just decisions.

#### C. Procedures for Finalizing Awards

The following procedures are provided in order to standardize the arbitration process and avoid any controversy regarding the deliberations and discussion associated with the publication of System and Area Boards of Adjustment awards:

1. Executive sessions for every case should take place at the conclusion of the hearing or at such time as agreed upon by a majority of the Board at the conclusion of the hearing. This postponed executive session may be

necessary due to the submission of briefs or other post-hearing issues and should be the exception, not the rule.

2. An arbitrator's draft decision, distributed to the Board unsigned, may be changed to any extent agreeable to a majority of the Board. A written decision, once executed and signed by the neutral arbitrator, may only be modified as to content by agreement of all Board members.
3. The Board members are not to discuss the decision of the Board with anyone other than the Board members prior to the publication of the award by the Administrator of the System Board.
4. No ex-parte communication concerning the case (that is, discussion held without the presence of the full Board) is permitted at any time.
5. The details of the Board's deliberations must be held confidential by virtue of the Board's intended neutrality. No Board member should divulge the nature or content of the discussions held between the Board members in reaching their decision.
6. The System Board distribution policy will include sending System Board decisions directly to the TWU International, the Vice-President Employee Relations and to the Local Union involved who will then notify the grievant.

### **ARTICLE 33 - NO STRIKE - NO LOCKOUT**

A. It is the intent of the parties to this Agreement that the procedures in this Agreement will serve as a means of amicable settlement of all disputes that may arise between them, and, therefore:

1. The Company will neither cause nor permit a lockout during the life of this Agreement, and
2. Neither the Union nor the employees will engage in a strike, sit-down, walkout, stoppage, slowdown, or curtailment of work for any reason during the life of this Agreement.

Subject To Final Review By The Company And NAWU

### **ARTICLE 34 - SICK LEAVE**

A. An employee, who completes six (6) months of service with the Company, will be credited with four (4) days of sick leave for the calendar year in which the six (6) months period is completed.

B. Upon being credited with the applicable four (4) days of sick leave, an employee will thereafter accrue two thirds (2/3rds) of one (1) day of sick leave for each calendar month of service with the Company, up to a maximum of eight (8) days in any calendar year..

C. Unused sick leave will be cumulative up to a maximum of one hundred and eighty (180) days.

D. Except as specified in this Article, only days absent due to illness or injury of the employee which are not compensable under the applicable Workmen's Compensation Laws will be paid for from his allowed sick leave. Payment will be based on the employee's regular hourly rate.

E. While it will not be the policy of the Company to require a slip from his doctor stating treatment for an illness or injury for all absences of one (1) to three (3) days in order for an employee to be eligible for sick leave pay, the Company reserves the right to require such doctor's slip whenever circumstances indicate suspected abuses of the sick leave policy.

1. Any employee suspected of abusing sick leave and therefore may be required to furnish a doctor's slip stating that he was treated for an illness or injury will first have the circumstances leading to the suspicion fully discussed with him. He may, if he so desires, have a Union representative present during such discussion. Subsequent to this discussion, if the Company decides that a doctor's slip is required, he will be given written notice of this requirement. Upon request of the employee, the specific reasons for the suspected abuse will be supplied to him, in writing. The requirement for this slip from the doctor will expire ninety (90) calendar days from the effective date of the written notice.

2. Upon request of the Local Union President, any employee claiming harassment as a result of being required to furnish a doctor's slip will have the opportunity to present his written claim for relief to a panel composed of the Vice President – Labor Relations and the Director of the Air Transport Division.

3. In the event the employee's claim is determined to be valid, the employee will have the number of hours used of sick pay added to his sick leave account. In the event it is determined to not be valid, the employee will forfeit eight (8) hours of sick pay from his sick leave account.

F. When employees, including probationary employees, are absent due to illness or

injury, Classification seniority will continue to accrue for a period not to exceed thirty (30) calendar days for any period of absence.

G. During an employee's absence due to an occupational illness or injury compensable under the applicable Workers' Compensation Law, he will receive from the Company the following benefits:

1. For the first ten (10) workdays absent, the difference between his base pay (including shift differential) and Workers' Compensation payments;
2. At the conclusion of the period referred to in (1) above, a disabled employee drawing Workmen's Compensation may, at his option, draw upon his accrued sick leave up to the extent of his accrual at the rate of up to one-half regular pay (including shift differential). Provided, however, the sum of such Workmen's Compensation weekly payments plus such sick pay benefits will not exceed the employee's regular base weekly pay (including shift differential). Corresponding deductions will be made from his available sick leave accrual. Deductions will be to the nearest 0.1 of a day up to a maximum of one-half day of sick leave.

These benefits will be in lieu of any other payment provided for in this Article for all absences due to the same illness or injury.

H. In the event that the Company challenges the payment of benefits under paragraph G. above, occurring during the statutory waiting period under the applicable state Workmen's Compensation Laws, the employee will receive pay continuance (base pay, including shift differential) from the Company up to the maximum days provided in the waiting period.

The challenged payment by the Company will be resolved in the following manner:

1. The Company, or the employee, may within seven (7) calendar days, appeal through a review panel composed of a representative of the TWU International and the Vice President-Labor Relations which will hear and resolve the case. The panel will be limited to determining whether the pay continuance, made to the employee under this provision, will be considered a benefit under Article 34.D. or 34.G., or whether the employee should return to the Company the benefit he received under this provision. In the event the panel is unable to resolve the issue, the case may be submitted to the System Board of Adjustment for final and binding resolution.
  2. If the Company or the employee fails to appeal the challenged payment, the pay continuance benefit will be considered payment under Article 34.D. and will be charged to the sick leave benefit.
- I. The employees and the Union recognize their obligations to prevent absence for



reasons other than illness or injury, or other abuse of the sick leave privilege, and pledge their wholehearted cooperation to the Company to prevent abuse.

J. A lump sum payment for unused sick leave days, if any, will be made to each employee entitled thereto upon the employee's effective date of retirement as defined in American Airlines Policies. If an employee dies prior to retirement the employee's beneficiary or estate will receive a lump sum payment for all unused sick leave as specified in paragraph K. A day or days of unused sick leave referred to in this paragraph will mean those days credited or accrued in each calendar year and not used by the employee up to the date of retirement or death.

K. For each such day of unused sick leave up to a maximum of one hundred and fifty (150) days, the Company will pay an employee covered by this Agreement, seventy-seven dollars and eighty-five cents (\$77.85). For example: An employee retires on January 1, 2016. He has a total accumulation of one hundred fifty (150) days of unused sick leave. On that date, said employee will receive a lump sum payment of eleven thousand six hundred seventy-seven dollars and fifty cents dollars (\$11,677.50).

L. A day or days of unused sick leave referred to in paragraphs A. and B. above will mean those days credited or accrued in each calendar year and limited to the cumulative maximum in the manner set forth under the provisions of this Article and not used by the employee up to the date of retirement.

M. To the fullest extent permitted by law, this Agreement shall operate to waive the provisions of any sick leave laws that are inconsistent with the terms of this Agreement, and shall supersede and be considered to have fulfilled all requirements of such laws, including but not limited to the following: Bloomfield, New Jersey, Ordinance 2015-10 (Mar. 2, 2015); California Healthy Workplaces, Healthy Families Act of 2014, Cal. Lab. Code §§ 245-49; District of Columbia Accrued Sick and Safe Leave Act, 32-131 D.C. Cod Mun. Regs. §§ 32-131.01 to 32-131.17; East Orange, New Jersey, Paid Sick Leave Ordinance, East Orange Mun. Code Chapter 140; Irvington, New Jersey, Ordinance MC-3513 (Sept. 10, 2014); Montclair, New Jersey, Paid Sick Leave Ordinance (adopted by voter referendum Nov. 4, 2014); Newark, New Jersey Sick Leave for Private Employees Ordinance, Newark Mun. Code Title 16, Chapter 18; N.Y.C. Earned Sick Time Act, N.Y.C. Admin. Code Title 20, Chapter 8; Oakland Paid Sick Leave Ordinance, Oakland Mun. Code Section 5.92.030; Passaic, New Jersey, Sick Leave for Private Employees Ordinance, Passaic Mun. Code Chapter 128, Article I; Paterson, New Jersey, Sick Leave for Private Employees Ordinance, Paterson Mun. Code Chapter 412; Philadelphia Promoting Healthy Families and Workplaces Ordinance, Philadelphia Admin. Code Chapter 9-4100; San Francisco Sick Leave Ordinance, San Francisco Admin. Code Section 12W; San Francisco, California, Minimum Compensation Ordinance, S.F. Admin. Code Chapter 12P; Seattle Paid Sick Time and Paid Safe Time Ordinance, Seattle Mun. Code Chapter 14.16; Tacoma, Washington, Paid Leave Ordinance, Tacoma Mun. Code Chapter 18.10; and Trenton, New Jersey, Ordinance 14-208 (Aug. 25, 2014). To the extent applicable law is inconsistent with the terms of

this Article, and such law cannot be waived by the parties, an employee shall be entitled to the more generous sick leave protections provided by applicable law or this Agreement.

Subject To Final Review By The Company And TWU

### **ARTICLE 35 - MISSING, INTERNMENT, PRISONER OF WAR**

A. An Employee who is officially reported as missing, interned, a prisoner or hostage as a result of hijacking or terrorist activities, or a prisoner or hostage of war (whether there is a declaration of war or not) while on Company business, will be entitled to his regular pay at the straight time (1x) rate for a period of twenty-four (24) months after his disappearance or until there is a reasonable presumption of death, whichever occurs first. If, upon the expiration of such twenty-four (24) month period such Employee is still missing and his whereabouts are still unknown, or if prior to that time his death is established, the Company will pay or cause to be paid the survivor benefits provided for in this Agreement.

B. The compensation to be paid in accordance with paragraph A above will be credited to such Employee's account on the books of the Company and will be disbursed by the Company in accordance with a written directive from him.

C. It is understood that Employees receiving compensation under this provision will continue to accrue seniority.

Subject To Final Review By The Company And Trade Union

## **ARTICLE 36 - TRANSPORTATION**

- A. Active or retired employees will receive travel privileges in accordance with the Company's Non-Revenue Travel Policy.
- B. Pass privileges extended to employees will be no less favorable than pass privileges extended to any other employee group under the Company's Non-Revenue Travel Policy.
- C. Employees will be furnished business travel positive space transportation over the Company's system for the purpose of conducting Company business in accordance with Company policy.
- D. Should an employee become unable to return to his normal duties while on Company business travel because of reasons beyond his control (e.g. weather, flight cancellation), the absence will be considered as an excused absence.
- E. Employees acting as Union representatives will be furnished business travel in accordance with the Company's Union Business Travel Policy.
- F. As long as the pilots cannot be denied jumpseat access due to weight restrictions, the same provisions will be applied to Dispatchers traveling on-line, subject to the applicable Federal Air Regulations.
- G. Employees wishing to utilize the jump seat on a space positive basis as required by the Company, may list for a jump seat.
- H. The Company will include Dispatchers in the ATA Cockpit Security System (CASS) provided the Dispatchers are otherwise eligible to participate.

## **ARTICLE 37 - FURLOUGH ALLOWANCE**

A. Any employee with one (1) year or more of service who is furloughed for reasons other than those set forth in paragraphs (B), and (E) will receive furlough allowance as provided in paragraph (D), subject to the limitations set forth herein.

B. Furlough allowance will not be paid if the furlough is the result of an act of God; a national war emergency, revocation of the Company's operating certificate or certificates, grounding of a substantial number of the Company's aircraft for safety reasons, dismissal for cause, resignation, retirement, or a strike or picketing causing a temporary cessation of work.

C. If an employee is released except as noted in this article, he will be eligible for the immediate payment of the furlough allowance as set forth in this Article.

D. Eligible employees will be paid furlough allowance at the rate of one (1) week of pay, at his regular straight time rate, for each full year of service with the Company up to a maximum of fifteen (15) weeks. The amount of furlough allowance payable under this Article to employees eligible will be in addition to all other benefits set forth in this Agreement.

E. Furlough allowance will not be granted when (1) the employee elects to exercise his seniority to remain with the Company in his classification, or (2) he accepts any other employment offered by the Company.

F. Furlough allowance will be paid at the successive payroll periods immediately following the date of furlough, and will continue to be paid until the employee is recalled or the furlough allowance period has expired, whichever occurs sooner. An alternate schedule of payment may be utilized as mutually agreed upon by the Company and Union at the employee's request.

G. Employees who are on furlough and their dependents will be eligible to participate in the Company's group medical and insurance programs, and non-revenue on-line travel benefits in accordance with Company policy.

H. When a reduction in personnel is deemed necessary, the Company will notify and confer with the Local President as soon as possible after the reductions are anticipated.

I. An employee who has been reemployed will retain all seniority and length of service credit for pay and other purposes accrued prior to the date of his furlough.

J. An employee recalled to work under the terms of Article 16 who is again furloughed under conditions that would entitle him to furlough allowance, will be entitled to the amount specified for his years of compensated service with the Company in

accordance with this Article, less the dollar amount received on the occasion of the previous furlough.

K. Furloughed employees will have their sick bank frozen until they are recalled. A furloughed employee will have their vacation paid out at time of furlough.

L. Furlough Allowance Bid

1. An employee who is notified of his impending furlough, may place his furlough allowance up for bid.
2. Bids for such furlough allowance will be awarded in seniority order. The successful bidder will not receive furlough allowance for a period longer than that to which the originally excess employee was entitled had he been furloughed. Furlough allowance will be paid at the regular straight time rate of the employee who places his furlough allowance up for bid.
3. Upon award of furlough allowance put up for bid, the employee given notice of his impending furlough will remain in active status. The Employee who is awarded such furlough allowance will be terminated at the completion of the furlough allowance period.
4. The successful bidder will be paid furlough allowance on successive payroll periods immediately following the date the furlough allowance begins.

## **ARTICLE 38 - UNION SECURITY**

A. All employees covered by this Agreement will, as a condition of employment, maintain membership in the Union so long as this Agreement remains in effect, to the extent of paying an initiation fee and membership dues (not including fines and penalties), or agency fees in accordance with applicable law. An employee may have his membership dues deducted from his earnings by signing the form "Assignment and Authorization for Check-Off of Union Dues", also referred to as "Check-Off Form," or, if no such authorization is in effect, he must pay his initiation fee and membership dues directly to the Union.

B. All new employees of the Company hired on or after the effective date of this Agreement will become members of the Union sixty (60) calendar days after the date of employment with the Company and will, as a condition of employment, maintain membership in the Union so long as this Agreement remains in effect, to the extent of paying initiation fees and membership dues, or in lieu of maintenance of membership, agency fees in accordance with applicable law. The Company will supply each Local Union with the name, personnel number, and work location of any new employee or transferee covered under this Agreement within fifteen (15) calendar days of the actual report date of said employee. The Company will allow the Union an opportunity during local orientation to meet with new employees and transferees regarding Union matters.

C. If any employee who has resigned from the Company or has been furloughed is reemployed or recalled, he will be considered as a new employee for the purposes of this Article and will be governed by the provisions of paragraph (B).

D. Employees who are or become members of the Union under paragraphs (A) or (B) above will pay membership dues as set forth in this Article, except that payment for membership dues will not be required as a condition of employment during leaves of absence without pay or during periods of transfer to a classification or position not covered by this Agreement.

E. "Member of the Union", for the purpose of this Article will mean any employee who is a member of the Union and is not more than sixty (60) calendar days in arrears in the payment of the initiation fee and membership dues as specified herein or agency fee payer not more than sixty (60) calendar days in arrears in the payment of his fees.

F. When an employee who is a member of the Union becomes delinquent within the meaning of paragraph (E) above, the following procedure will apply:

1. The Director of the Air Transport Division of the Union will notify the employee in writing, certified mail, return receipt requested, that he is delinquent in the payment of the initiation fee and membership dues or agency fees, as specified herein, and accordingly, is subject to discharge as an employee of the Company. The letter will also notify the employee that he must remit the required payment within fifteen (15)

calendar days of the date of mailing of the notice, or be subject to discharge. This provision will be deemed to be complied with if the Union sends, but the employee refuses the above mailing.

2. If, upon the expiration of the fifteen (15) calendar day period, the employee still remains delinquent, the Director of the Air Transport Division of the Union will certify, in writing, to the Vice President-Labor Relations of the Company, copy to the employee, that the employee has failed to remit payment within the grace period allowed and is therefore to be discharged. The Vice President-Labor Relations, after being presented with the appropriate documentation, will then take proper steps to discharge such employee from the services of the Company.
3. An employee discharged by the Company under the provisions of this paragraph will be deemed to have been discharged for cause within the meaning of the terms and provisions of this Agreement.

G. Any discharge under the terms of this Article will be based solely upon the failure of the employee to pay or tender payment of initiation fee and membership dues or agency fees, as specified in this Article, and not because of denial or termination of membership in the Union upon any other ground.

H. Any grievance by an employee concerning the interpretation or application of the provisions of this Article will be subject exclusively to the following procedure:

1. An employee who believes that the provisions of this Article pertaining to him have not been properly interpreted or applied may submit his request for review, in writing, within five (5) calendar days from the date the grievance arises, except that a grievance arising under paragraph (F)(1) must be filed within the fifteen (15) calendar day period specified in that paragraph. The request will be submitted to his immediate supervisor who will review the grievance and render his decision, in writing, not later than five (5) calendar days following the receipt of the grievance.
2. The immediate supervisor will forward his decision to the employee with a copy to the Local Union Accredited Representative. If the decision is not satisfactory to both the employee and the Union, then either may appeal the grievance directly to the System General Board of Adjustment, established under Article 32 of this Agreement, within ten (10) calendar days from the date of the decision. The terms and provisions of such Article will be applicable, except as otherwise specified in this Article.
3. If the Union should appeal the decision to the System Board of Adjustment, it will prepare a joint submission of the grievance setting forth the Union's and the employee's position and forward copies to



the employee, the Vice President-Labor Relations of the Company and to the members of the System Board of Adjustment. If the employee should appeal the decision, he may request the Vice President-Labor Relations to prepare the submission papers on his behalf for the System Board of Adjustment. In this event, the request will be made by the employee, in writing, to his immediate supervisor who will transmit, through the local City Manager all facts, data and information concerning the grievance, together with a copy of the decision from which appeal is taken. The Vice President-Labor Relations will forward copies of the employee's separate submission to the employee, the local City Manager, the Director of the Air Transport Division of the Union and to the members of the System Board of Adjustment.

4. During the period a grievance is filed under the provisions of this paragraph and until after final award by the System Board of Adjustment, the employee will not be discharged from the Company because of noncompliance with the terms and provisions of this Article. In the event the employee's grievance is denied because he has not tendered dues owed under this Article, he will be considered discharged for cause. In any proceeding under this Article, the employee, the Company, and the Union will be allowed to present any facts or arguments supporting their positions concerning proper application of this Article.

I. The Union agrees that it will indemnify the Company and save the Company harmless from any and all claims which may be made by the employee or employees against the Company by virtue of the wrongful application or misapplication of any of the terms of this Article.

J. The Company will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union, nor will it, by discrimination in respect to hire, tenure of employment or any term or condition of employment, attempt to discourage membership in the Union.

K. The Union agrees that neither the Union nor its members will intimidate or coerce any employee in respect to his right to work, the proper exercise, performance, or implementation of his duties and responsibilities with the Company or in respect to Union activity or membership. Further there will be no solicitation of employees for Union membership on Company time. The Union further agrees that the Company may take disciplinary action for any violation of this provision.

L. During the life of this Agreement, the Company agrees to deduct from the pay of each member of the Union and remit to the Union membership dues uniformly levied in accordance with the Constitution and By-laws of the Union and as prescribed by the Railway Labor Act, as amended, provided such member of the Union voluntarily

executes the following agreed-upon Check-Off Form. This form will be prepared and furnished by the Union.

**ASSIGNMENT AND AUTHORIZATION FOR CHECK-OFF OF UNION DUES**

To: American Airlines, Inc.  
Attention: Manager – Payroll Services  
PHX-RWE-PAY  
1821 W Rio Salado Parkway  
Tempe, AZ 85281

I, \_\_\_\_\_,  
(Name: Initials and last name)

hereby assign to the Transport Workers Union of America, AFL-CIO, my Union dues from any wages earned or to be earned by me as your employee. I authorize and direct you to deduct the flat sum of \_\_, which is the bi-weekly equivalent of my monthly membership dues, or such bi-weekly equivalent as may hereafter be established by the Union as my membership dues, from each bi-weekly paycheck and to remit the same to the Union.

This assignment, authorization, and direction may be revoked by me, in writing, after the expiration of one year from the date hereof, or upon the termination date of the labor agreement in effect at the time this is signed, whichever occurs sooner.

This authorization and direction is made subject to the provisions of the Railway Labor Act, as amended, and in accordance with the existing Agreement between the Union and the Company.

Employee Signature \_\_\_\_\_ Employee Address \_\_\_\_\_

Personnel Number \_\_\_\_\_

Cost Center Location Department \_\_\_\_\_

/\_\_\_\_\_  
Local Union Number \_\_\_\_\_ Date \_\_\_\_\_

M. When a member of the Union properly executes such "Check-Off Form", the Director of the Air Transport Division of the Union will forward an original copy to the Manager Payroll Service; American Airlines, Inc., PHX-RWE-PAY, 1821 W Rio Salado Parkway, Tempe, AZ 85281. Any Check-Off Form which is incomplete or improperly executed will be returned to the Director. Any notice of revocation as provided for in this Article or the Railway Labor Act, as amended, must be in writing, signed by the employee and delivered by certified mail, addressed to their respective

Local Union office. Each Local Union office will forward a copy to the Manager-Payroll Service: American Airlines, Inc.: PHX\_RWE\_PAY, 1821 W Rio Salado Parkway, Tempe AZ 85281 for future Union dues withholding. Check-Off Forms and notices received by the Manager- Payroll Customer Service will be stamp-dated on the date received and will constitute notice to the Company on the date received, and not when mailed.

N. When a Check-Off Form, as specified in this Article, is received by the Manager-Payroll Customer Service on or before a given payday, deductions will commence with the first regular paycheck following said payday, and will continue thereafter until revoked or cancelled as provided in this Article. The Company will remit to the Union a check in payment of all dues collected on a given payday, on or as soon after the payday as possible. These remittances will be subject to normal accounting practice with respect to adjustments necessary because of the methods involved in the deduction procedure. The Company remittance of Union membership dues to the Union will be accompanied by a list of names, personnel numbers and station numbers of the employees for whom deductions have been made in that particular period, arranged in order of their personnel numbers. Additionally, the Company will supply in duplicate to the office of the Union a listing of those employees who are on leave of absence; have accepted a position outside the bargaining unit; or have terminated employment with the Company.

O. No deductions of Union dues will be made from the wages of any employee who has executed a Check-Off Form and who has been transferred to a job not covered by the Agreement, or who is on leave without pay. Upon return to work within a classification covered by this Agreement, deductions will be automatically resumed provided the employee has not revoked the assignment in accordance with this Article, and provided it is in accordance with the other appropriate provisions of this Article and of the Railway Labor Act, as amended.

P. An employee who has executed a Check-Off Form and who resigns or is terminated from the employ of the Company for reasons other than furlough shall be deemed to have automatically revoked his assignment and if reemployed, further deductions of Union dues will be made only upon execution and receipt of a new Check-Off Form. Provided, however, that upon return from furlough, leave of absence, or reinstatement from disciplinary discharge to work within a classification covered by this Agreement, deductions shall be automatically resumed. In cases where Check-Off is not reinstated by the Company due to mechanical or software errors, the Company will collect the back dues at a maximum of fifty (50) dollars per month and remit to the Union, provided the employee has not revoked the assignment in accordance with this Article, and such deductions are in accordance with the other appropriate provisions of this Article and of the Railway Labor Act, as amended.

Q. Collection of any back dues owed at the time of starting deductions for any employee, and collection of dues missed because the employee's earnings were not

sufficient to cover the payment of dues for a particular pay period, will be the responsibility of the Union and will not be the subject of payroll deductions.

R. Deductions of membership dues will be made in a flat sum from each paycheck provided there is a balance in the paycheck sufficient to cover the amount after all other deductions authorized by the employee or required by law have been satisfied. In the event of termination of employment, the obligation of the Company to collect dues will not extend beyond the bi-weekly period in which his last day of work occurs.

Subject To Final Review By The Company And TWU

## **ARTICLE 39 - GENERAL**

A. All orders to and requests from an employee affecting his pay or status will be in writing.

B. The Company will provide each employee with a spiral bound 5 ½ in by 8 ½ in size copy of this Agreement.

C. Employees called for jury duty will be paid as if working for all regularly scheduled hours. The employee will promptly show his supervisor the jury duty summons and also show the courts validations of the jury service when completed.

1. During Jury Duty, an Employee's seniority and pay longevity will continue to accrue.
2. If an Employee is required to attend Jury Duty on a scheduled day of work, he will be removed from the work schedule for that day.
3. An employee assigned to jury duty for five or more consecutive days during day time hours will be assigned to the day shift with Saturday and Sunday as his scheduled days off, effective for the workweek in which the jury duty starts. Employees assigned to other types of jury duty (e.g. telephone, standby, single day jury) will have their work schedules adjusted only to the extent necessary to accommodate the actual jury service requirement.
4. If there is a question regarding the application of this provision, the employee's supervisor will contact Labor Relations who will establish a telephone conference with the TWU International and the Local President to resolve this matter.

D. Three (3) bereavement (BR) days with pay for death in the immediate family will be extended to the employees covered by this Agreement. Immediate family includes mother, father, spouse, eligible domestic partner, sister, step-sister, brother, step-brother, child (dependent and non-dependent), mother-in-law, domestic partner's mother, father-in-law, domestic partner's father, step-mother, stepfather, employee's grandparents, employee's grandchildren, legal guardian or documented former legal guardian, or relative who is a resident of the household. To the extent that the Employee Policy Guide provides more expansive personal emergency leave benefits, those benefits will be applied to all employees covered by this Agreement.

Upon request up to two (2) days of bereavement without pay (BRU) will be extended to an employee in conjunction with BE days.

E. No employee will be required to participate in a bomb scare investigation (as outlined by Company IOC) or hazardous material incident against his wishes. The

Company will immediately notify the ranking local union representative when such conditions arise. The Company will provide death and permanent disability insurance coverage for employees, as set out below, applicable if a bomb explosion or hazardous material incident in or about American Airlines facilities or aircraft is the proximate cause of such death or disability.

Death	\$500,000
Total Permanent Disability	\$500,000
Total Loss or Use of Two Members	\$500,000
Total Loss or Use of One Member	\$250,000

Member, in this article, is defined as hand, arm, foot, leg or eye.

This insurance will be handled by blanket coverage, and employees covered thereby will not have to sign individual application forms, except for designation of a beneficiary.

F. The Company will provide a maximum of \$100,000 Route Check Accident Insurance under the conditions outlined in the American Airlines' liability policy for employees covered by this Agreement.

G. Dispatcher's are required to provide the Company with a copy of their Aircraft Dispatcher Certificates.

H. The Company will involve the Union in developing plans for the relocation and/or redesign of the IOC.

I. The staffing of covered Employees in any Dispatch office will be determined by the Company based on the needs of the service that includes regulatory requirements. The Company will inform the Local Union of any planned or contemplated staffing changes as soon as possible.

J. The Local President will be offered the option to place a qualified Employee on any task force pertinent to the job functions included under this Agreement and the Company will cover expenses.

K. The Company will continue to provide parking at the dispatch office for use during working hours at no cost to the Employee

L. Upon Dispatcher request, the Company will make Employee parking available to a Dispatcher at an airport of the Dispatchers choosing under the following conditions:

1. Location is at an airport served by the Company;
2. Parking is provided without charge to station personnel of the Company normally assigned to that station;

3. Such parking in not prohibited by Port Authority officials;
4. Dispatcher will reimburse the Company cost of the parking pass plus any reasonable fees for administering this service;
5. The Company will provide the Union with two (2) parking passes at no charge at the nearest airport closest to the IOC.

M. No less than two (2) members of the Union's Executive Board will meet monthly with the Managing Director Operations Control or his designee.

N. Company Policy shall prevail for all subject matter not addressed by this agreement.

O. Time spent by Employees involved in Company/Union Business (including grievance investigation) or performing other work at Company request will be paid at the employee's straight time rate. All such time must be authorized in advance by the Director of Dispatch Operations or his designee.

P. The Company will share a copy of the Dispatch Procedures Manual with the Local President for comment prior to the publication of any revisions.

Q. The Company will indemnify, defend, and hold harmless each of the FAA certified Dispatchers, Dispatchers in Training, and Operational Specialists in the employ of the Company, and the personal estates of any such Employee, from and against any and all liabilities, losses, damages, claims, suits, judgment and all expenses (including reasonable attorneys' fees) arising from or related to the personal injury, death, or damage to property of any person resulting from or arising out of any act or omission of such Employee in the course and scope of the Employee's employment. The Employees covered by this Agreement will cooperate fully with the Company, its insurers, and any attorneys retained to represent any of them in the defense of any claims covered hereby.

## **ARTICLE 40 – RETIREMENT BENEFITS**

A. The Company has maintained a retirement plan for certain legacy American 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.

1. 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.
2. 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).
3. 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.
4. 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.

1. 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.
2. 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 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.

1. 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.
2. 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.
3. Rules for counting vesting service and for applying breaks in service remain unchanged from the current plan.
4. 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 paragraph 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.

1. 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.

2. Eligibility for Benefits – Early Retirement

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

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

### 3. Early Retirement Benefits

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

F. The attachment on the following page is agreed to by the parties and is incorporated as part of the Agreement.

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

H. Subject to paragraph G., the Company will continue to maintain the Plan and its related trust. The Company may amend the Plan, from time to time, as it determines in its sole discretion to be necessary or appropriate to implement the pension freeze described in paragraph G. or to maintain the Plan's tax-qualified status or otherwise comply with applicable Federal law.

I. Unless specified otherwise, the terms outlined herein will be effective for pay received on or after [effective date]. All eligible TWU members covered under this agreement ("TWU Dispatcher members") will participate in the American Airlines, Inc. 401(k) Plan ("American 401(k) Plan"), which was previously entitled the Super Saver - A 401(k) Capital Accumulation Plan for Employees of Participating AMR Corporation Subsidiaries, a tax qualified, defined-contribution retirement plan under Section 401(a) of the Internal Revenue Code ("Code"), with a cash or deferred arrangement that qualifies under Section 401(k) of the Code, that complies with the requirements of Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or an equivalent plan. The Company, subject to any laws limiting the amount of benefit which can be contributed to or accrued under a plan qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended from time to time, and its regulations, will provide contributions to eligible TWU Dispatcher members under the American 401(k) Plan. [Effective date for LUS Dispatchers to be discussed.]

#### 1. Auto-Enrollment

- (a) Effective no later than January 1, 2017, as determined in the sole discretion of the Company, TWU Dispatcher members who do not have a contribution election on file on that date will be auto-enrolled at an Employee Before-tax Elective Contribution rate of three percent (3%) of Compensation, as defined in the American 401(k)

Plan. TWU Dispatcher members who have a contribution election on file as of January 1, 2017 will remain enrolled in the American 401(k) Plan and their contribution election will remain in place.

- (b) All new Dispatcher members hired at American Airlines shall be auto-enrolled at an Employee Before-tax Elective Contribution rate of three percent (3%) of Compensation, as defined in the American 401(k) Plan. Auto-enrollment will occur as soon as administratively feasible but not less than thirty (30) days following the TWU Dispatcher member's hire date.

2. Employer Contributions

- (a) Eligible TWU Dispatcher members participating in the American 401(k) Plan shall receive Employer Matching Contributions in an amount equal to one hundred percent (100%) of the member's Employee Before-tax Contributions and Employee Designated Roth Contributions up to a maximum Employer Matching Contribution equal to five and one-half percent (5.5%) of their Eligible Compensation.

3. Eligibility

- (a) TWU Dispatcher members participating in the American 401(k) Plan must complete one (1) year of service, as defined in the American 401(k) Plan, to be eligible to receive Employer Matching Contributions.
- (b) All new TWU Dispatcher members hired on or after DOS must complete one (1) year of service, as defined in the American 401(k) Plan, to be eligible to receive Employer Matching Contributions.

4. Vesting

- (a) TWU Dispatcher members must complete two years of vesting service, as defined in the American 401(k) Plan, to be hundred percent (100%) vested in their Employer Matching Contributions.

5. The Company reserves the right to amend the American Airlines, Inc. 401(k) Plan and US Airways, Inc. Employee Savings Plan at the Company's sole discretion, provided it will not diminish the benefits as outlined in this agreement.

6. The American Airlines, Inc. 401(k) Plan and the US Airways, Inc. Employee Savings Plan are not incorporated in this Agreement.

## **ATTACHMENT 40.1 – PRE-RETIREMENT SURVIVOR BENEFIT CHARGE**

From: Mark Johnson  
To: John Orlando  
Re: Pre-retirement Survivor Benefit Charge  
Revised March 1, 2001  
October 19, 1995

This letter follows up our conversation of today regarding the charge for the pre-retirement survivor benefit.

The Retirement Equity Act of 1984 mandated that pension plans provide a benefit for the surviving spouse of an employee who dies vested, but prior to retirement. This is known as the Qualified Pre-retirement Survivor Annuity (QPSA). Because this requirement adds to pension costs, employers are allowed to recover the cost by reducing the employee's pension at retirement. The AA reduction at retirement for QPSA coverage does not fully cover the cost of providing this benefit. QPSA coverage is still heavily subsidized by American.

QPSA coverage is mandatory and automatic unless the employee and spouse sign a waiver. The benefit and how the charge is calculated are explained in detail in the Summary Plan Description. The calculation is based upon a percentage by age for the number of years coverage was in effect. There is no charge for providing the coverage past age 65, although the employee is charged for those years under age 65. Once an employee is at least age 55 with 15 years of credited service or age 62 with 10 years of credited service, the charge also stops accumulating. The charge is based only on the mandatory 50% survivor benefit. Employees who have elected a larger survivor benefit are not charged more.

Since the actual QPSA calculation is complex and can only be done accurately when an exit date has been established, for estimate purposes only we show a uniform \$20 monthly reduction. We use \$20 because we rarely see a QPSA reduction of \$20 or more, for simplicity in preparing estimates, \$20 is shown on all estimates, even for employees who never had the coverage, or will not be charged this exact amount.

At retirement those employees who never had coverage will, of course, have no reduction. For those who were covered, the reduction will be individually calculated based on their age and years of coverage.

As we discussed, normally about 300 TWU members retire each year. However with the early out, we may be asking as many as 7,000 TWU members to take a close look at their pension plan. Although the QPSA explanation has been in the Summary Plan Description, with this kind of scrutiny we are learning that we can improve how we communicate very important, but unfortunately often very technical pension information.

Thank you for bringing this issue to my attention and I hope this explanation is helpful.  
Please let me know if you have any questions.

(Signed original on file)

Subject To Final Review By The Company And TWU

## **ARTICLE 41 - INSURANCE**

The following represents the terms of the medical and life coverage for eligible active TWU employees under The Group Life and Health Benefits Plan for Employees of American Airlines, Inc. ("Medical Plan") (with said medical coverage being referred to herein as "Active Medical Coverage") and, TWU employees retiring on or after November 1, 2012 under The Group Life and Health Benefits Plan for Retirees of American Airlines, Inc. ("Retiree Medical Plan")(with said medical coverage being referred to herein as "Retiree Medical Coverage"). This coverage replaces and supersedes the previous medical and dental plan provisions.

A. **LIFE INSURANCE.** For TWU employees whose base monthly salary is one thousand five hundred dollars (\$1,500) or over, her/his basic coverage shall be two (2) times her/his base annual salary taken to the next higher multiple of one hundred dollars (\$100), but not more than seventy thousand dollars (\$70,000).

B. **MEDICAL AND DENTAL PLAN.** Active TWU employees Medical Coverage effective as soon as administratively practicable following ratification:

1. The Company will offer two (2) medical options in the Medical Plan subject to Paragraph 14: (i) the Standard option; and, (ii) the Core medical option which is a Health Savings Account-compatible medical option. The Company reserves the right to amend the Medical Plan at the Company's sole discretion, with the exception of:
  - (a) The Standard medical option design features in the Chart of Active Medical Coverage Option Design Features in Paragraph B.11;
  - (b) The employee contribution methodology for the Standard and Core medical options described in Paragraphs B.4 and B.6;
  - (c) Changes noted in Paragraph B.5;
  - (d) The right to purchase dental coverage as offered by the company.
2. To the extent the Company is offering the Value medical option in any plan year to employees, employees eligible to enroll in the Standard or Core medical options will be eligible to enroll in the Value medical option. The Company reserves the right to amend or terminate the Value medical option, at its sole discretion.
3. To the extent feasible, advance notice of material Medical Plan changes will be provided to the TWU prior to implementation. At least thirty (30) days prior to the distribution of the Active Medical Coverage annual enrollment materials, the Company will provide the TWU with a copy of

the data, assumptions and methodologies used to calculate employee contributions under the Standard and Core medical options.

4. Aggregate employee contributions for the Standard and Core medical options for 2015 will be twenty percent (20%), and 2016 and thereafter will be twenty-one percent (21%) of the total projected cost of each forecasted year of healthcare expenses for these two (2) medical options (which include medical/prescription and administrative expenses) as calculated by the Company. Employee contributions for the Standard and Core medical options will increase with medical inflation with employee contributions set as explained above. The Value medical option inflation and employee contributions will be calculated separately from the Standard and Core medical options.
5. The Standard medical option annual In-Network deductible will increase by fifty dollars (\$50.00) in 2017 until the In-Network deductible reaches eight hundred and fifty dollars (\$850.00) for single coverage and the family In-Network deductible will increase by one hundred and fifty dollars (\$150.00) in 2017 until it reaches two thousand five hundred and fifty dollars (\$2,550) for family coverage.
6. Chart of Coverage Tiers:

Current Coverage Tiers	New Coverage Tiers	Contribution Multiplier
Employee Only	Employee Only	1.0
Employee + 1	Employee + Spouse	2.6
Child(ren)	Employee +	1.8
Employee + 2 or more	Employee + Family	3.5

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

7. Legacy US Airways TWU employees hired prior to the date of ratification will maintain coverage under the US Airways Medical and Dental Plans through December 31, 2016. Effective January 1, 2017, the US Airways Medical and Dental Plans (PPO100/80, PPO90/70, PPO80/60, Out-of-Area 100, Out-of-Area 90, Out-of-Area 80, PPO Dental and Out-of-Area Dental), including the inflation formulas therein, are also eliminated. **TO BE ADJUSTED BASED UPON RATIFICATION DATE**
8. New employees eligible for healthcare coverage will default to the Core medical option for Employee Only coverage on their eligibility date, unless

the employee waives coverage or elects another option or level during the initial enrollment period.

9. To the extent the Company is offering incentives in any plan year to employees for participating in a wellness program, employees enrolled in the Standard and Core medical options will be eligible for those incentives provided they meet the criteria (as established by the Company at its sole discretion) for earning the incentive.
10. Chart of Active Medical Coverage Option Design Features:

2016 Plan Year	Standard	Core
Current Plan Design Features		
Health Spending Accounts	HRA	
In Network Deductible (Single/Family)	\$800/\$2,400	
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*	
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)	
2016 Monthly Contributions		



EE Only	\$92.87	\$80.95
EE + Spouse	\$241.47	\$210.48
EE + Child(ren)	\$167.17	\$145.72
EE + Family	\$325.05	\$238.34

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

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

The following provisions apply to the Standard medical option:

- (a) Deductibles do not apply toward Out of Pocket maximum;
  - (b) Medical coinsurance applies towards Out of Pocket maximums;
  - (c) Pharmacy coinsurances do not apply towards deductibles, but do apply towards Out of Pocket maximums;
  - (d) Co-pays do not apply to the Deductible.
11. The Company will also retain the right to amend any provision in the Medical Plan for the purpose of complying with applicable laws and regulations.
  12. In the event the Company determines that the Standard or Core design options provided for in this Agreement (each an "Option") would be or become subject to an excise tax or other penalty included in The Patient Protection and Affordable Care Act (PPACA) or any excise tax or penalty which may replace the PPACA, under applicable law, (and thus become an "Affected Option"), the Company will meet and confer in good faith in order to reach an agreement with the Union concerning the minimum modification or modifications to the Affected Option necessary to avoid application of the excise tax or other penalty. The Company shall provide to the Union information that the Union reasonably requests, including actuarial reports, necessary for the Union's design and consideration of such modifications. Unless otherwise agreed, any agreed modification shall become effective at the time the excise tax or penalty would become applicable in respect of the Affected Option (the "Affected Option Date").

If the Company and the Union are unable to agree on modifications necessary to avoid the application of the excise tax or other penalty on the Affected Option within ninety (90) days after the initial meeting, the parties will select Arbitrator Bloch who will determine the modifications to the design of the Affected Option that will become applicable. The authority of Arbitrator Bloch is expressly limited to establishing those modifications to the design of the Affected Option that will ensure that no excise tax or other penalty will apply. If Arbitrator Bloch determines that no reasonably practical modification to the Affected Option can guarantee that no excise tax or other penalty will apply, the Company shall have the right to

terminate the availability of the Affected Option to the TWU employees. If, under the preceding sentence, the Company has terminated or would have the right to terminate the availability to the TWU employees of the Standard and/or Core Option, the arbitrator will be empowered to designate an alternative Option design (a "New Option") that is available from the Company provider and that replicates the provisions of the Core Option to the greatest possible extent without causing the New Option to become subject to any excise tax or other penalty. In the event that the arbitrator has not issued a determination prior to the excise tax or penalty becoming due or if such penalty or excise tax is otherwise owed for any reason, notwithstanding any contrary provision of law, the Company shall be permitted to implement such modifications to the design of the Affected Option as it considers to be necessary to avoid the excise tax or penalty. The Company shall have a reasonable period of time following the issuance of the arbitrator's determination to implement the New Option. Notwithstanding the foregoing, the provisions of Paragraph B shall not be effective if, after the effective date of this Agreement, the Company enters into any new or amended collective bargaining agreement having a term of three (3) years or more with any union group that does not contain a provision substantially similar to this Paragraph.

If any Option is modified or eliminated pursuant to Paragraph B, the parties will meet and confer to determine how the savings, if any, from such modifications will accrue to TWU employees. The avoidance of any excise tax that would have otherwise been applied will not be considered in the calculation of any savings. If the parties cannot agree on whether cost savings exist or how to distribute said savings, the matter may be referred to an arbitrator as specified by the process in this Paragraph. The arbitrator's authority shall be limited to the issue of determining whether such savings exist and, if so, how such savings are to be distributed. The arbitrator shall have no other authority, and in no event shall the arbitrator order modifications to or reinstitution of a plan.

13. TWU employees will be required to timely pay for all benefits, including Flexible Spending Account contributions, in order to maintain coverage, including while on a Leave of Absence, through payroll deduction, the direct bill process or other collection process as applicable.

C. DISABILITY COVERAGE. The Company agrees to offer, at the employee's expense, an Optional Short Term Disability Plan and Optional Voluntary Personal Accident Insurance (VPAI). The Company agrees to facilitate collection of employee premiums for the long term disability plan currently offered by the TWU.

D. RETIREE HEALTH CARE. Retiree Medical Coverage for TWU employees (LAA Retiring On or After November 1, 2012 and LUS Retiring On or After January 1, 2017)

1. Notwithstanding any other collective bargaining agreement provisions, and all other agreements, past practices, and arbitration awards between the parties, the Company is not required to maintain, fund, or provide for retiree medical or retiree life insurance benefits.
2. Retiree Medical Coverage For TWU employees Ages 55 through 64 (LAA Retiring On or After November 1, 2012 and LUS Retiring On or After January 1, 2017)

TWU employees retiring on or after age fifty-five (55) and through age sixty-four (64) will have access to a Company-sponsored retiree medical option. Retiree contribution rates for this coverage will be one hundred percent (100%) of projected annual expenses (which includes administrative expenses) using data, assumptions, and methodologies for calculating future retiree healthcare costs. Although it is the Company's intention to continue to make available access to medical coverage for retirees from age fifty-five (55) through age sixty-four (64), the Company reserves the right to modify, amend, or terminate the Retiree Medical Plan at any time.

3. Retiree Medical Coverage For TWU employees Age 65 and Older (LAA Retiring On or After November 1, 2012 and LUS Retiring On or After January 1, 2017)

Retiree Medical Coverage shall cease when the retired TWU employee attains age sixty-five (65). Retirees age sixty-five (65) and over will be offered access to purchase, at the retiree's expense, a guaranteed issue Medicare supplement plan through a third party administrator, to the extent available.

4. Upon retirement, pursuant to Company policy, a TWU employee will be paid seventy-seven dollars and eighty-five cents (\$77.85) for each day of accrued sick leave in her/his sick bank. **Policy TBD**

E. RETIREE TWU EMPLOYEES LIFE INSURANCE. Retiree life insurance benefits are discontinued for TWU employees (LAA retiring on and after November 1, 2012 and LUS retiring on and after January 1, 2017).

F. NON-INCORPORATION. The Medical Plan and the Retiree Medical Plan are not incorporated in this Agreement.

G. In the event that the IAM-TWU negotiations for the Mechanic and Related and/or Fleet Service groups result in a health benefit option which differs from the The American Airlines, Inc. Health and Welfare Plan for Active Employees specified herein, the employees covered under this agreement, as a group, shall have the option of enrolling in that benefit option during the next annual enrollment period. In the event that

the IAM-TWU negotiations for the Mechanic and Related and/or Fleet Service groups result in a health benefit option that differs from the American Airlines, Inc. Life and Health Plan for Retirees, the employees covered under this agreement, as a group, shall have the option of having such plan apply to employees who retire on or after January 1 of the year such plan becomes effective for dispatchers under this provision. Note: Such benefit option or plan, if selected by the group, shall not be made available to any employee who has retired prior to the benefit option or plan becoming effective for dispatchers.

Subject To Final Review By The Company And TWU

## **ARTICLE 42 - COMMITTEES**

A. The Dispatch Workload Review Committee will function in an advisory capacity to the Company in reviewing and developing workload standards, distribution practices, quality assurance, and productivity. Members of this Committee will be granted the necessary time off, as determined by the Company, to perform committee work. The Company will cover time and expenses incurred while attending meetings or performing work for them, and compensate the Employee in accordance with this agreement.

B. The Dispatch Flight Safety Committee will function in an advisory capacity to the Company in reviewing and developing policy and procedure changes, communications, operational flight safety, and will participate in all joint Company/Union safety meetings. Members of this Committee will be granted the necessary time off, as determined by the Company, to perform committee work. The Company will cover time and expenses incurred while attending meetings or performing work for them, and compensate the Employee in accordance with this agreement.

C. The Dispatcher Scheduling Committee will function in an advisory capacity to the Company in reviewing, developing, and implementing the annual work schedule and vacation bids. Members of this Committee will be granted the necessary time off, as determined by the Company, to perform committee work. The Company will cover time and expenses incurred while attending meetings or performing work for them, and compensate the Employee in accordance with this agreement.

D. The Dispatch Technology Group will include a Training Instructor familiar with the subjects to be discussed, the Local President or his designee, and the Managing Director – Ops Control and Planning or his designee who will serve as chairperson, and the Managing Director of Operations Planning and Performance. The Group will review, on a quarterly basis, all current, proposed, and pending technological changes affecting the dispatch function prior to its implementation with the primary goal of determining its safety, applicability, and its usefulness to the Employees. Members of this Committee will be granted the necessary time off, as determined by the Company, to perform committee work. The Company will cover time and expenses incurred while attending meetings or performing work for them, and compensate the Employee in accordance with this agreement.

E. In the event the Company participates in safety or regulatory programs concerning the dispatch function, the Local President may appoint at least one (1) Employee as a member of any review board, task force, or committee. Members of this Committee will be granted the necessary time off, as determined by the Company, to perform committee work. The Company will cover time and expenses incurred while attending meetings or performing work for them, and compensate the Employee in accordance with this agreement.

#### **ARTICLE 44 – MOVING EXPENSES**

- A. For a permanent move of the IOC to a location more than 50 statute miles from the current location, an employee eligible to receive moving expenses shall be provided such moving expenses no less than those afforded Level 3/4 Management in accordance with the provisions of the applicable Company expense regulations.
- B. To be eligible for moving expenses, the employee must move at least 50 miles and must move to within 100 miles of the new IOC.

Subject To Final Review By The Company And TWU

#### **ARTICLE 46 - EFFECT ON PRIOR AGREEMENTS**

A. This Agreement will supersede and take precedence over all prior Agreements, Letters and similarly related agreements and documents executed between the Company and the Union prior to the signing of this Agreement. All rights and obligations, monetary or otherwise, which may have accrued because of services rendered prior to the effective date of this Agreement, will be satisfied or discharged.

B. Exceptions or modifications to the Agreement may only be made by mutual agreement, in writing, between an authorized representative of the Company and the Union. The Local President will coordinate with a designated representative of the International Union for final approval.

Subject To Final Review By The Company And IAWU

## **ARTICLE 47 – DURATION OF AGREEMENT**

THIS AGREEMENT will become effective as of April 15<sup>th</sup>, 2016, and will continue in full force and effect until and including April 15<sup>th</sup>, 2021, and will renew itself until each succeeding April 15<sup>th</sup> thereafter, except that written notice of intended change may be served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party no earlier than sixty (60) calendar days on or after April 15<sup>th</sup>, 2020 (12 months prior to the amendable date).

The parties acknowledge that during the negotiations which resulted in this Agreement each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. It is agreed by the parties that the other will not be obligated to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement, without serving written notice as provided for in the above paragraph.

IN WITNESS WHEREOF, the parties have entered this Agreement on the 15th day of April, 2016 and have signed this Agreement on DOS:

FOR TRANSPORT WORKERS  
UNION OF AMERICA

FOR AMERICAN  
AIRLINES, INC.



**LOA #10 – ABBREVIATED ARBITRATION**

**LETTER OF AGREEMENT**

**Between**

**AMERICAN AIRLINES, INC.,**

**and the**

**FLIGHT DISPATCHERS, DISPATCHERS IN TRAINING and OPERATIONS  
SPECIALISTS**

**In the service of AMERICAN AIRLINES, INC., and US AIRWAYS, INC.**

**as represented by the**

**TRANSPORT WORKERS UNION OF AMERICA, AFL-CIO**

**LOCAL 549**

---

**ABBREVIATED ARBITRATION**

---

**THIS LETTER OF AGREEMENT** is made and entered into in accordance with the Railway Labor Act, as amended, by and between American Airlines, Inc. ("Company") and the dispatchers, dispatchers in training, and operations specialists in the service of American Airlines, Inc. and US Airways, Inc. as represented by the Transport Workers Union ("Union").

The following shall set forth the procedures to be utilized for abbreviated arbitration for the purpose of resolving disputes that may arise under the provisions of the Dispatchers Agreement:

1. The Company and the Union shall mutually agree on the selection of one neutral who, together with one union appointed member and one company appointed member, shall constitute the Abbreviated Arbitration Board of Adjustment (the "AAB"). The AAB will convene at a date and time agreed to by the parties. Unless the parties agree otherwise, all hearings will be held at the Company's Headquarters in Fort Worth, Texas.
2. The AAB shall be authorized to hear and decide only those cases that are mutually selected by the parties for resolution through abbreviated arbitration.
3. At the time the cases are selected by the parties for resolution through abbreviated arbitration, the parties will determine for each selected case whether the resolution will be on a precedent or non-precedent basis.
4. The AAB shall have jurisdiction over grievances that have been processed in accordance with, but not resolved through, the procedure set forth in Articles 30

and 31 of the Dispatcher Agreement.

5. Selection of a case for expedited for abbreviated arbitration shall constitute a waiver by the parties of their respective procedural rights under the arbitration provisions of Article 32 of the Dispatcher Agreement. However, unless specifically amended by this LOA, the provisions of Article 32 shall govern the abbreviated arbitration process.
6. Each party shall have the right to select a single representative to function as an advocate and shall make best efforts to limit witnesses to one representative to testify or provide relevant clarifying information but in no case shall more than three witnesses be allowed. The parties shall exchange a list of witnesses, including potential rebuttal witnesses, at least ten (10) working days prior to the scheduled hearing date. The AAB is prohibited from calling additional witnesses beyond those identified pursuant to this paragraph.
7. The parties agree to submit as joint exhibits (i) the Dispatcher Agreement under which the dispute arose, (ii) the written grievance, and (iii) written decisions issued in response to the grievance.
8. Each party shall make best efforts to present its case in ninety (90) minutes or less and no more than fifteen (15) minutes for rebuttal and/or oral closing. Each party shall have the right to submit documentary evidence during either its case-in-chief or its rebuttal. Each party shall be provided the opportunity to make an opening statement at the start of the hearing of no more than ten (10) minutes.
9. In keeping with the objectives of abbreviated arbitration, the parties agree to make every reasonable effort to exchange exhibits as far in advance of the hearing as possible and to resolve any issues that might arise regarding admissibility of a given exhibit. Exhibits shall be exchanged no later than two (2) working days in advance of the hearing. If the parties are able to stipulate to the admissibility of exhibits prior to the opening of the hearing, the exhibits may be submitted along with the joint exhibits. In the event the parties are unable to stipulate to the admissibility of an exhibit, the party offering the exhibit must offer the exhibit during the presentation of the party's case-in-chief.
10. Once the hearing has convened, there will be no adjournments or postponements except (i) by agreement of the parties, or (ii) upon the order of the neutral member of the AAB to protect the procedural due process rights of the parties.
11. Unless the parties mutually agree otherwise in advance, there will be a transcript or electronic record made of the proceedings.
12. Neither pre-hearing nor post-hearing briefs will be allowed, unless the parties mutually agree otherwise.

13. At the conclusion of each case, the AAB shall issue an oral award.

14. Within thirty (30) calendar days after the close of the hearing, the neutral member of the AAB shall issue a brief written decision.

15. The AAB is expressly prohibited from incurring expenses other than those expenses authorized in advance by agreement of the parties.

**AGREED:**

**For the Transport Workers Union**

**For American Airlines, Inc**

Subject To Final Review By The Company And TWU

LETTER OF MEMORANDUM – 6 – PERSONAL EMERGENCY/ TRAVEL/  
BEVEAVEMENT POLICY

AMERICAN AIRLINES, INC.  
P. O. Box 619616  
DFW Airport, Texas 75261-9616

September 12, 2012

Mr. Robert F. Gless  
Deputy Director – ATD  
AA System Coordinator  
Transport Workers Union of America, AFL-CIO  
1791 Hurstview Drive  
Hurst, TX 76054

Re: Personal Emergency / Travel/Bereavement Policy

Dear Robert,

In the event, there are changes in the Bereavement Policy and the Personal Emergency Travel policy that are more expansive than those in the Transport Workers agreements, we will extend the policy outlined in the revised AA Policies and Procedures on Jetnet to TWU represented employees.

Sincerely,

Denise Lynn  
Vice President Employee Relations

LETTER OF MEMORANDUM – 8 – COPE INSTRUCTIONS

AMERICAN AIRLINES, INC.  
P.O. BOX 619616  
Dallas/Fort Worth Airport, Texas 75261

August 9, 1980

Mr. Ernest M. Mitchell  
International Vice President  
Director-Air Transport Division  
Transport Workers Union of America, AFL-CIO  
1980 Broadway  
New York, New York 10023

Dear Mr. Mitchell:

Re: COPE Deductions

Effective thirty (30) days after ratification of the Agreement dated August 9, 1980 and during the life of that Agreement, the Company agrees to deduct contributions to a Union Fund known as the "Committee on Political Education" (COPE) from the pay of those employees under this Agreement who are Union members and who may voluntarily execute a form to authorize such deductions prepared and furnished by the Union. The content of such form shall be agreed upon between the Company and the Union, and the authorization for and remittance to the Union of such deductions shall be in conformance with all applicable laws.

Very truly yours,

Charles A. Pasciuto  
Vice President Employee Relations

## LETTER OF MEMORANDUM – 9 – ILLEGAL JOB ACTIONS

TRANSPORT WORKERS UNION OF AMERICA  
1980 Broadway  
New York, New York 10023

August 9, 1980

Mr. C. A. Pasciuto  
Vice President  
Employee Relations  
P.O. Box 61616  
Dallas/Fort Worth Airport, TX 75261

Re: Illegal Job Actions

Dear Mr. Pasciuto:

During our negotiation on amendments to the current basic agreements, we have discussed problems regarding the unfortunate trend of increased illegal work stoppages and slowdowns occurring during the course of our agreements. Both parties have expressed their desire to correct this situation.

The Union recognizes its obligation to prevent any sit down, walkout or stoppage, strike, slowdown or curtailment of work for any reason during the life of these agreements and pledge their wholehearted cooperation to the Company to prevent any of the above from occurring.

In addition, it is agreed that, in the future, for any letters of discipline which are properly assessed in the event of an occurrence of any of the above, the provisions of Article 28(d), or related articles, will not apply.

Very truly yours,

E. M. Mitchell  
Intl. Vice President  
Director - ATD

H. J. Leonard  
Intl. Vice President  
Assistant Director-ATD

Patrick J. McGahan,  
Local 501

James F. Jackson,  
Local 513

Howard W. Blaydes,  
Local 502

Ed Wilson,  
Local 514

William Rossi,  
Local 505

Frank Palumbo,  
Local 519

John D. Fortune,  
Local 507

William Casper,  
Local 521

Richard Dawson,  
Local 510

Celeste P. Conroy,  
Local 527

Patrick Collins,  
Local 512

E. F. Downey,  
Local 540

AGREED TO: C. A. Pasciuto

Subject To Final Review By The Company And TWU

LETTER OF MEMORANDUM – 10 – PAY CONTINUANCE FOR UNION BUSINESS

AMERICAN AIRLINES, INC.  
P. O. Box 619616  
DFW Airport, Texas 75621-9616

March 1, 2001

John E. Plowman – President  
Transport Workers Union Local 542  
1201 Airport Freeway, Suite 386  
Eulless, Texas 76040

Re: Pay Continuance for Union Business

Dear John,

This is to confirm our understanding regarding the "Pay Continuance" arrangement we have agreed to for time spent on "Union Business Leave" for the President of Local 542. Based upon the unique scheduling characteristics within the Dispatch operation, we have agreed that the following shall apply:

1. The Local President will be granted a three year Union Leave of Absence, beginning August 15, 1995. This Leave of Absence will be renewable upon written request, subject to the terms and limitations stated in the Labor Agreement.
2. During the period of the leave, the Local President will continue to receive his/her regular straight time rate of pay, as well as any premium pay such as "Longevity" or "Equipment/Operations Coordinator Pay", as if he/she were not on leave.
3. The Union agrees to make all arrangements to insure that a qualified Dispatcher is scheduled to provide coverage to replace the Local President during the period of his/her leave. The Local Union will provide the names of these scheduled replacements at least fifteen (15) days in advance of the shift which requires coverage whenever possible.
4. The Company will provide pay at regular straight-time rates to those Dispatchers who are scheduled by the Union to replace the Local President during the period of his/her Leave of Absence for "Union Business". The Company also agrees to pay any premium such as "Longevity" or "Equipment/Operations Coordinator Pay" which may be triggered by the coverage of the Local President.
5. Twice annually, on June 1 and on December 1, the Company will submit a bill to Local 542 for reimbursement due to the Company. The total annual amount billed to the Union will be \$46,200 (two equal installments of \$23,100) for the duration of this agreement. This amount (inclusive of the 8.8% administrative override fee). Local 542 agrees to remit to AMR Corporation, an amount equal to the semi-annual billing



referenced above within thirty (30) days of its' receipt. This payment schedule becomes effective July 1, 1995.

6. Any additional Union Business activities which require time off work for other members of the Union will be coordinated by the Local Union who will be responsible to insure that adequate coverage for each shift is maintained. Employees who take time off work for Union Business will not be paid for such time, and employees who work the shifts vacated for this Union Business will receive their regularly rate of pay plus any additional premiums which they may be entitled to due to the nature of the work performed.

7. Recognizing that the operating environment for Dispatchers changes frequently, it is agreed that the Local President will not be allowed to return to work without attending training to re-establish proficiency in the Dispatch function, following any six (6) month period of leave

It is understood and agreed that this "Pay Continuance" agreement is based upon the unique characteristics of the Dispatch work unit, and will not serve as precedent in any other matter.

Sincerely

Mark L. Burdette  
Managing Director  
Employee Relations

Agreed this date: John E. Plowman - President Local 542

Subject To Final Review By The Company And TWU