

American Airlines



AGREEMENT

between

AMERICAN AIRLINES

and

TWU/IAM AIRLINE MECHANIC & RELATED EMPLOYEE ASSOCIATION

covering

MAINTENANCE TRAINING SPECIALISTS

of

AMERICAN AIRLINES, INC.

Effective date – March 26, 2020



THE TWU-IAM ASSOCIATION

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PREAMBLE

1 This Agreement is made and entered into this March 26, 2020, in accordance with the
2 provisions of Title II of the Railway Labor Act, as amended, by and between American
3 Airlines, Inc., ("American" or the "Company"), and the Transport Workers Union of
4 America AFL-CIO and the International Association of Machinists and Aerospace
5 Workers AFL-CIO, certified by NMB case #R-7422 as the TWU/IAM Mechanic
6 Association, ("Association" or "Union").

ARTICLE 1 - PURPOSE OF AGREEMENT

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

ARTICLE 2 - STATUS OF AGREEMENT

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

ARTICLE 3 – EFFECTIVE DATE AND DURATION

1 A. Effective Date

2 The provisions of this Agreement will become effective on March 26, 2020 (the
3 “Effective Date”) except as otherwise specifically stated in this Agreement.
4

5 B. Amendable Date

6 This Agreement will continue in full force and effect through and including March
7 26, 2025 and will thereafter renew itself without change each succeeding March
8 26th, unless written notice of intended change is served in accordance with Section
9 6, Title I, of the Railway Labor Act, as amended (the “Act”) by either party at least
10 (6) months prior to March 26, 2025 or on any March 26th thereafter.
11
12

13 C. Complete Agreement

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

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

Lucretia D. Guia
Vice President, Labor Relations
and Deputy General Counsel
American Airlines

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

James B. Weel
Managing Director, Labor Relations
American Airlines

ARTICLE 3 – EFFECTIVE DATE AND DURATION

Association:

John Samuelson
TWU International President

Timothy Klima
Principal Negotiator

Michael Mayes
Principal Negotiator

Thomas Regan
Principal Negotiator

Gary Peterson
Principal Negotiator

Andre Sutton
Principal Negotiator

Michael Klemm
Principal Negotiator

David Supplee
Principal Negotiator

Richard Pantoja
Principal Negotiator

Dave Dacke
Association Negotiator

Will Lane
Association Negotiator

American Airlines:

Craig Barton
Vice President,
Technical Operations

Mark Nelson
Sr. Manager, Labor Relations

Josh Voss
Manager, Labor Relations

Craig Scherzer
Sr, Manager,
Maintenance Training Specialist

ARTICLE 4 - EFFECT ON PRIOR AGREEMENTS

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

ARTICLE 5 - TRANSPORTATION

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

ARTICLE 6 – RECOGNITION AND SCOPE

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

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

18
19 Notwithstanding the above, it is recognized that:
20

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

ARTICLE 6 – RECOGNITION AND SCOPE

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

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

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

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

Job Protection

F. System Job Protection

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

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

ARTICLE 6 – RECOGNITION AND SCOPE

G. Station Job Protection

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

Station Closing Due to Ceasing All Flight Operations

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

Station Closing or Reduction in Manpower Due to Circumstances Beyond Company Control

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

ARTICLE 6 – RECOGNITION AND SCOPE

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

Parallel Operations

5
6
7 J. If the Company establishes any new airline or acquires a controlling interest in any
8 carrier, which operates jet aircraft, and mainline pilots on the American Airlines, Inc.
9 pilot seniority list perform revenue flying utilizing such aircraft, then all covered MTS
10 work on such aircraft shall be performed by employees covered by this Agreement in
11 accordance with the provisions of this Article.
12

13 K. If the Company allows its code to be placed on any flight and the flight utilizes jet
14 aircraft and mainline pilots on the American Airlines, Inc. pilot seniority list perform
15 revenue flying utilizing such aircraft, then all covered MTS work on such aircraft shall
16 be performed by employees covered by this Agreement in accordance with the
17 provisions of this Article.

ARTICLE 7 – CLASSIFICATIONS

A. Maintenance Training Specialist (MTS)

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

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

ARTICLE 8 – QUALIFICATIONS

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

ARTICLE 9 – FILLING OF VACANCIES

1 Maintenance Training Special (MTS) Positions:

2
3 A. Candidates for MTS positions who do not hold MTS seniority will be required to meet
4 the Qualifications listed in Article 8 - Qualifications.

5
6 B. Employees who do not hold MTS seniority at the time of a vacancy, who meet the
7 qualifications in Article 8 - Qualifications, shall advance to an interview by a panel
8 interview committee that will be comprised of an equal number of members selected
9 by the Association and the Company. The Association shall establish and maintain a
10 list of members for each Company designated location to serve on the panel interview
11 committee for each position sufficient to ensure that there are no delays in the panel
12 interview process. The Company and Union will mutually agree to establish a standard
13 minimum passing score which will be applied to all candidates seeking the position.
14 Each member of the committee will score the candidate's interview results on a
15 numerical scale. Each committee member's score will be totaled and averaged to
16 establish the candidate's total score. Panel interview scores will remain valid for one
17 (1) year. The senior candidate, utilizing basic classification seniority who meets the
18 minimum passing score from the panel interview will be selected by the Company.

19
20 C. Where there are ten (10) or more qualified candidates, who do not hold MTS seniority,
21 the Company may limit the interviews to the ten (10) most senior candidates, utilizing
22 basic classification seniority in the following order:

23
24 1. Those employees bidding the position from the Mechanic and Related or
25 Maintenance Control Technician Collective Bargaining Agreement who meet the
26 qualifications.

27
28 2. Those employees bidding the position from any other Association Collective
29 Bargaining Agreement who meet the qualifications.

30
31 3. Those employees bidding the position from the Mechanic and Related or
32 Maintenance Control Technician collective bargaining agreement who meet the
33 A&P license requirement, but not the three (3) year experience qualification.

34
35 4. Those employees bidding the position from any Association Collective Bargaining
36 Agreement who meet A&P license requirement, but not the three (3) year
37 experience qualification.

38
39 5. Any other employee or new hire.

40
41 D. Employees who transfer to a new bid area on a local or system bid will have a trial
42 period of sixty (60) active workdays, excluding all classroom training required for their
43 position, in order to demonstrate their ability to perform the required work. Employees
44 first awarded a MTS position as well as employees who have completed a voluntary
45 "bid area to bid area" transfer will be subject to a twenty four (24) month stability period
46 with the following exceptions:

ARTICLE 9 – FILLING OF VACANCIES

1. Employees in a stability period are not precluded from bidding on MTS positions which did not exist before in a new bid area, shift, in a station or location.

2. Employees who are bumped or displaced will not be subject to a stability period upon exercising seniority or being furloughed.

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

Filling Maintenance Training Specialist (MTS) vacancies:

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

1. The senior employee who files a request for a local “bid area to bid area” transfer to another Maintenance Training Specialist bid area and is working as a MTS, which will also automatically include any MTS, who have this location designated as their recall location if on furlough status (Article 12 Reduction In Force/ Recall/ Voluntary Furlough paragraph (C)(2). Management is not obligated to fill, by “bid area to bid area” transfer, any vacancy resulting from a “bid area to bid area” transfer.

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

2. The senior employee who bids the position and is working as a MTS, at another location, and any MTS on furlough who bids the position from any other location.

3. The senior employee who holds MTS seniority, including those in a stability period, bidding the position from any Association Collective Bargaining Agreement.

4. The senior of the MCT, Inspector, AMT Technical Crew Chief, AMT Crew Chief or AMT bidding the position that meets the qualifications and is successful in the interview process above. The earliest basic classification seniority date among those above will be used to determine who is senior for the purpose of awarding the position.

5. The senior employee, other than those identified in paragraph (4) above bidding the position from any Association Collective Bargaining Agreement who meets the qualifications and is successful in the interview process above. The earliest

ARTICLE 9 – FILLING OF VACANCIES

1 Association classification seniority date will be used to determine who is senior for
2 the purpose of awarding the position.
3

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

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

- 16 8. Any other employee or new hire.
17

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

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

- 32 I. Bid Process:
33

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

- 37 1. On Saturday of each week at 0001 CST, the Company will post an online
38 notification list of the stations/locations/shops declaring vacancies for that week.
39
40 a. The list will include the actual number of declared vacancies.
41
42 b. The transfer list standing will be dynamic during the week and will be shown
43 via the online tool in seniority order.
44
45 2. The transfer list for those listed vacancies will be closed on the following Tuesday
46 at 2359 CST and a snapshot of the list will be taken at that time.

ARTICLE 9 – FILLING OF VACANCIES

- 1 3. The employee may add or remove his standing transfer request or change the
2 order of preference anytime during the above timeframe (Saturday 0001 CST to
3 Tuesday 2359 CST).
4

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

- 9 a. Employees will have seven (7) days after the posting closes (Thursday at 2359
10 CST) to provide the necessary paperwork. Note: Employees do not have to
11 wait until the posting closes; they may send the documents at the time that they
12 add their name to the transfer list.
13
14 b. Employees without paperwork will not be considered qualified, and will not be
15 awarded a vacancy.
16
17 c. Employees with incomplete paperwork, or who do not meet the experience
18 requirements, as determined by the WER Panel, will not be considered
19 qualified, and will not be awarded the vacancy.
20
21 4. Any employee whose name appears on the list after Tuesday at 2359 CST may
22 refuse the transfer by removing his name from the list by Thursday at 2359 CST.
23 If the employee does not remove his name from the list during this forty-eight (48)
24 hour period, and is awarded a vacancy, he will be considered to have accepted
25 the position.
26
27 5. The employee will be notified during JetNet sign-in of the final award.
28
29 a. Employees will also be sent an email notification to their aa.com email address.
30
31 b. Once the final award has been posted and employee notified via JetNet, the
32 Company cannot subsequently rescind the award.
33
34 c. The employee must report to the station awarded on the specified date unless
35 mutually agreed to by the Company and the Union.
36

ARTICLE 10 – PROBATIONARY PERIOD

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

ARTICLE 11 - SENIORITY

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

- 5 A. Company seniority is defined as continuous service in any department and shall begin
6 with the effective day of placement on payroll. Company seniority shall be applied to:
7 vacation accrual, bidding of vacations periods and service awards. Adjustments to
8 Company Seniority based on past seniority policies and/or collective bargaining
9 agreements will remain in place. After the effective date of this Agreement, there will
10 be no adjustments to Company seniority.
11
- 12 B. Maintenance Training Specialist classification seniority shall commence with the date
13 the employee enters into the classification. Classification seniority shall govern in the
14 case of displacement, filling bargaining unit vacancies, bidding shifts and days off
15 within the bid area, reductions in force and recalling after a layoff. If two (2) or more
16 employees have the same classification seniority, the employee with the earlier
17 company date of hire seniority shall be senior. If two or more employees have the
18 same classification seniority and company date of hire seniority, the employee with
19 the lowest last four (4) digits of his social security account number shall be senior.
20
- 21 C. Seniority for pay purposes, Pay Date Seniority, shall commence with the date of entry
22 into the MTS Classification. Seniority for pay purposes shall be adjusted for time lost
23 due to unpaid leaves, as referenced in Article 25 (Leave of Absence).
24
- 25 D. An employee shall lose all seniority and be removed from the seniority list when:
26
- 27 1. He quits, resigns or retires.
 - 28
 - 29 2. He is discharged for just cause.
 - 30
 - 31 3. He does not inform the Company of his intent to return to work, or the employee
32 fails to report to work in accordance with Article 12 - Reduction In Force/ Recall/
33 Voluntary Furlough.
34
 - 35 4. He fails to return from a leave of absence within the scheduled period.
 - 36
 - 37 5. Otherwise provided for in this Agreement.
 - 38
- 39 E. Employees who are furloughed shall continue to accrue classification seniority for five
40 (5) years from date of furlough and thereafter shall only maintain their seniority status
41 while on furlough. Employees who refuse recall will have their names removed from
42 the seniority list and shall be deemed to have resigned.
43
- 44 F. The Company shall post a seniority list by the last day of January of each year and
45 employees or the Association may protest any omission or error affecting any
46 employee's seniority within thirty (30) days of the current posting. Such lists, published

ARTICLE 11 - SENIORITY

1 by group or classification, will provide, at minimum, the name, employee number,
2 classification seniority date, Company seniority date, job classification, and station of
3 each employee, covered under this Agreement. Any employee on leave at the time of
4 posting will have a period of fifteen (15) days from his date of return to service to file
5 a protest.
6

7 G. An employee having classification seniority who moves to a position in a classification
8 of work in another Association agreement within the Company, will continue to accrue
9 Classification seniority in the classification and group from which he transferred.
10

11 H. Employees covered by this Agreement may be assigned to special projects in the
12 interest of the Company that are outside the normal scope of their duties. Employees
13 assigned to such projects shall continue to be covered by this Agreement during the
14 term of the assignment. The Company shall advise, meet and/or confer with the
15 Association prior to any such assignment of an employee or employees to discuss the
16 nature of the project and any conditions that may be associated with the assignment.
17 Employees on special assignments initiated under the conditions described in this
18 paragraph shall retain and continue to accrue all seniority while on the assignment.
19

20 I. Employees may be assigned on a voluntary basis to supervisory or managerial duties
21 (except the issuance of discipline) that are considered short term in nature. The
22 Company will not create a personnel documentation change for employees assigned
23 under these terms and the employees shall be considered to be part of the bargaining
24 unit during the term of the assignment. Employees assigned under the conditions
25 described in this paragraph shall retain and accrue seniority for a total of sixty (60)
26 work days measured over the duration of their career. Any employee who exceeds
27 sixty (60) work days in any supervisory or managerial assignment described in this
28 paragraph shall lose all seniority under this Collective Bargaining Agreement and any
29 other Association Collective Bargaining Agreement containing these same provisions.
30 The Company shall provide a monthly report to the Association that records all
31 persons assigned under this paragraph and the days of the assignment(s).
32

33 J. Employees who transfer to any position outside of the coverage of any Association
34 Collective Bargaining Agreement, other than those assignments described in
35 paragraphs (H) and (I) above shall continue to retain and accrue seniority for a period
36 not to exceed ninety (90) days measured over the duration of their career. Any such
37 employee who exceeds ninety (90) days, measured over their career, shall lose all
38 seniority under this Collective Bargaining Agreement and any other Association
39 Collective Bargaining Agreement containing these same provisions.
40

ARTICLE 12 - REDUCTION IN FORCE / RECALL / VOLUNTARY SEPARATION

REDUCTION IN FORCE:

A. In the event of the geographical relocation in whole or in part of any of the work performed by employees covered by this Agreement, the employees affected will be given an opportunity to transfer to the new location. Affected employees transferring to the new location will be provided the American Airlines Level 1-2 employee relocation policy in effect as of March 26, 2020. In the event, the Company should enhance the relocation policy during the life of the agreement, such enhancements will apply to employees covered by this agreement. Employees so transferred shall suffer no loss of seniority or pay, nor any reduction in classification or hourly rate.

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

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

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

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

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

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

ARTICLE 12 - REDUCTION IN FORCE / RECALL / VOLUNTARY SEPARATION

RECALL:

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

ARTICLE 12 - REDUCTION IN FORCE / RECALL / VOLUNTARY SEPARATION

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

Voluntary Separation in Lieu of Furlough:

34

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

ARTICLE 12 - REDUCTION IN FORCE / RECALL / VOLUNTARY SEPARATION

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

ARTICLE 13 - FURLOUGH BENEFITS

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

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

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

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

<u>If employee has completed:</u>	<u>Furlough Allowance:</u>
1 year of service	1 week
2 years of service	2 weeks
3 years of service	3 weeks
4 years of service	4 weeks
5 years of service	5 weeks
6 years of service	6 weeks
7 years of service	7 weeks
8 years of service	8 weeks
9 years of service	9 weeks
10 years of service	10 weeks
11 years of service	12 weeks
12 years of service	13 weeks
13 years of service	14 weeks
14 years of service	15 weeks
15 years of service	17 weeks

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

1. Is discharged for just cause, retires or resigns.

ARTICLE 13 - FURLOUGH BENEFITS

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

ARTICLE 14 – HOURS OF SERVICE

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

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

10
11 1. as a result of employee shift swaps;

12 OR

13
14 2. working a five (5) day workweek an employee's scheduled days off are Monday
15 and Sunday;

16 OR

17
18 3. working a four (4) day workweek an employee's scheduled days off are Monday,
19 Saturday and Sunday or Monday, Tuesday and Sunday.

20
21 4. When a workweek, as described in Paragraph C, contains an observed Holiday,
22 the work schedule for that week for all employees will have five (5) eight and one
23 half (8 1/2) hour work days.

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

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

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

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

ARTICLE 14 – HOURS OF SERVICE

1 E. The Company will determine the monthly work schedules in the Posted Work
2 Schedule (including days off, starting times and known travel and work assignments)
3 and post no later than the 1st day of the month preceding the work schedule. Once
4 posted, employees who are scheduled for travel assignments will have their itinerary
5 details approved by the Company as described in Article 19 - Travel/Travel Pay.

6
7 Once posted, the Company may change an employee's schedule as follows:

- 8
9 1. Days off, workdays and/or shifts with a minimum of seven (7) days' notice.
10
11 2. Where the original start time is between 0530 and 0830 and where the new start
12 time remains between those hours notification is required no later than the end of
13 their regular shift the day before the change.
14
15 3. For unexpected training assignments, change of shift assignments will require
16 notification of three (3) days prior to the change. If this change invokes the 24 hour
17 rule, the employee will be paid the applicable rate.
18
19 4. Overnight Travel Assignments (Field Service), where the employee was not
20 previously scheduled for overnight field service, will require notification of seven
21 (7) days prior to the change.
22
23 5. Field service may be cancelled at any time.
24
25 6. Work assignments, within their scheduled hours, on a scheduled workday may be
26 changed based on the needs of service.
27
28 7. In cases of sickness or the absence of an employee the company may assign a
29 MTS to cover the absent employee's posted assignments and the above
30 notification requirements will not apply.
31
32 8. No employee will be required to work more than two (2) different basic shifts in a
33 work week. For the application of this provision, the basic shift start times will be
34 defined as follows: 0500 – 1159 will be shift 1, 1200 – 1759 will be shift 2 and 1800
35 to 0459 will be shift 3.

36
37 Minimum notices for schedule changes described above may be waived with
38 mutual agreement of the employee and the Company.
39

40 F. When not otherwise scheduled by the Company in the posted work schedule,
41 employees will have Saturday and Sunday off. When not otherwise scheduled for a
42 specific assignment on a workday as indicated in the posted work schedule,
43 employees will be on "Flex Time". Employees will elect a normal Flex Time shift
44 starting time not earlier than 0530 or later than 030 on quarter hour increments
45 (example 0530 0545 etc.). Employees working a four (4) day workweek may elect a
46 Flex Time shift starting time not earlier than 0530 or later than 0700. In the event the

ARTICLE 14 – HOURS OF SERVICE

1 Company elects to establish permanent schedules with starting times outside of the
2 0530 – 0830 window, including other periods with flexible start times, classification
3 seniority within the bid area will be used in the assignments.
4

5 Employees may request adjustments to their Flex Time and/or workweek quarterly.
6 Where the Company is unable to honor all Flex Time and/or workweek requests,
7 classification seniority within the Bid Area will be used. Approved Flex Time start times
8 will remain in effect unless a change is requested by the employee at the beginning
9 of the quarter and approved by the Company. Any changes required by the Company
10 to posted Flex Times, workweek or days off for a work assignment will be in
11 accordance with Paragraph (E) above.
12

13 G. In each bid area the Company may designate one (1) Specialist per week in the
14 monthly schedule on a rotating and equitable basis to Field Service "Relief" to cover
15 unscheduled training requirements that require travel. Employees scheduled as Relief
16 may be assigned other work for which they are qualified when not assigned to travel.
17 When not otherwise scheduled by the Company in the posted work schedule,
18 employees scheduled for Relief will work a five (5) day workweek and have Saturday
19 and Sunday off. When Relief employees are not assigned to travel such employees
20 will work their normal Flex start time. Changes to Relief employee schedules are not
21 subject to the notification provisions in paragraph (E) above.
22

23 H. Employees will not be scheduled for more than thirty (30) overnight stays away from
24 their domicile in a calendar quarter. (Excluding any overnight stays as a result of
25 attending training) without agreement of the MTS.
26

27 I. Employees will not be scheduled to conduct training for more than three hundred forty
28 (340) hours in a calendar quarter.
29

30 J. The Company will make every effort to schedule employees off on all holidays covered
31 under this Agreement.
32

33 K. With Management approval, qualified employees will be permitted to swap shifts
34 and/or days off with other qualified employees. No overtime or paid rest will be due an
35 employee as a result of shift swaps. No request under these provisions shall be
36 honored in jurisdictions in which the laws or regulations either preclude such as a
37 result of hours restrictions or require the compensation of such day/shift at overtime
38 rates. This paragraph shall immediately apply in any jurisdiction, which may hereafter
39 impose such restrictions or require such payment.
40

41 L. Employees who work in a location that changes to Daylight Saving Time, will on the
42 date and shift that Daylight Saving Time goes into effect, work their regularly
43 scheduled number of hours. Employees who work in a location that changes from
44 Daylight Saving Time, will on the date and shift that Standard Time goes into effect,
45 be required to work one hour in addition to their regularly scheduled workday, and will
46 be compensated for the additional hour at the applicable overtime rate. If the Company

ARTICLE 14 – HOURS OF SERVICE

determines that less than a full crew is required during the last hour of the shift, it may offer employees the opportunity to leave early in classification seniority order.

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

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

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

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

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

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

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

P. Employees working a scheduled shift longer than the standard shift shall be granted

ARTICLE 14 – HOURS OF SERVICE

1 an uninterrupted thirty (30) minute unpaid meal period, except when a longer period
2 is agreed upon between the parties (the Company and Local Union), to begin not
3 earlier than four (4) hours after the commencement of the scheduled shift and not end
4 later than six and one-half (6 1/2) hours after the commencement of the scheduled
5 shift. Every reasonable effort will be made to allow all employees to take their meal
6 period as scheduled. However, if the employee's meal period is interrupted, due to
7 operational necessity, he will be paid an additional thirty (30) minutes at the rate of
8 time and one-half (1.5x) and the employee will then be rescheduled for an
9 uninterrupted meal period beginning no later than seven and one-half (7 1/2) hours
10 after the commencement of the scheduled shift.
11

12 Q. To the extent applicable law requires that employees covered by this Agreement be
13 provided with different break and meal periods than are set forth in this Agreement
14 and such law cannot be waived by the parties, an employee shall be entitled to the
15 more generous break and meal period schedule provided by applicable law or this
16 Agreement.
17

18 R. Employees who are involuntarily changed from Monday/Sunday to another set of days
19 off will be transitioned to Monday/Tuesday off for one week and then to new days off
20 the following week to ensure affected employees receive two (2) days off each week.
21 This provision does not apply to employees who voluntarily bid a position.
22

ARTICLE 14.1 – ABSENCE FROM DUTY

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

ARTICLE 15 INTENTIONALLY LEFT BLANK

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2
3

ARTICLE 16 – COMPENSATION

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

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

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

		<u>MTS</u>			
		+2%	+2%	+2%	+2%
<u>YOS</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0-1	35.75	36.47	37.20	37.94	38.70
1-2	37.84	38.60	39.37	40.16	40.96
2-3	40.04	40.84	41.66	42.49	43.34
3-4	43.29	44.16	45.04	45.94	46.86
4-5	47.56	48.51	49.48	50.47	51.48
5-6	50.73	51.74	52.77	53.83	54.91
6-7	53.91	54.99	56.09	57.21	58.35
7-8	<u>57.08</u>	<u>58.22</u>	<u>59.38</u>	<u>60.57</u>	<u>61.78</u>

A. Flexible Starting Rates

1. In the event that the Company, in its sole discretion, finds that any or all of its starting pay rates (Step 1) as specified in Article 16 (A), are noncompetitive with local market starting rates for similarly situated jobs, the Company may hire applicants in any classification at any station/base/location at rates of pay higher (Step 2 through the maximum hourly rate in the applicable pay scale) than those starting rates specified in Article 16 (A). As market conditions change, the Company may, in its sole discretion, change its designated starting rate. Such designated starting rate may be higher or lower than previous designated starting rates; however, such starting rate may not be lower than Step 1 nor higher than the maximum hourly rate in the applicable pay scale.
2. In those stations/base/locations where higher starting rates of pay are designated in accordance with Article 16 (B) (1), all employees in that classification(s) at that station/base/location who are receiving less than the new designated starting rate of pay will have their rate of pay concurrently increased to the new designated higher starting rate for that classification(s) in that station/base/location.
3. An employee receiving a flex rate of pay will remain at that pay step on the pay scale until such time that his seniority reaches a point that would allow him to advance to the next step.

ARTICLE 16 – COMPENSATION

1 4. An employee who transfers to or from a station/base/location which has an
2 adjusted starting rate of pay for his classification will have his rate of pay adjusted
3 upward or downward to conform to the rate of pay received by an employee with
4 the same Pay seniority as his, at his new station/base/location. Such adjusted rate
5 may not be less than Step 1 nor higher than the maximum hourly rate in the
6 applicable pay scale.

7
8 5. It is understood and agreed that the effective dates of step increases and other
9 changes in pay rates are determined by the employee's Pay seniority.

10
11 B. An employee who permanently transfers at his own request to another classification
12 of work as provided in any Association Agreement will continue to receive his same
13 hourly rate per hour but, in no event, will his hourly rate exceed the maximum rate for
14 the classification to which he transferred.

15
16 1. If his hourly rate at the time of such transfer is not the same as any regular rate
17 per hour for the classification to which he transferred, he will immediately receive
18 the nearest higher regular rate per hour for such classification. Thereafter, the
19 employee shall progress on the normal progression scale in the new classification.
20 In the case of a transfer from a higher to a lower classification caused by a
21 reduction in force under this Agreement, the above rules will apply.

22
23 2. The Company may hire a new Employee(s) at a pay scale step above the
24 beginning step provided there is not a more senior Employee who is paid less than
25 such new Employee(s). The Company retains the right to pay the wage rates
26 stated in the pay scale to Employees hired subsequent to any Employee(s) hired
27 and paid at a rate above the beginning step.

28
29 C. Shift Differential Premium will be paid as follows:

30
31 1. An employee assigned to a shift, which begins at or after 0900 and before 1959
32 will receive a shift differential of fifty one cents (\$0.51) per hour.

33
34 2. An employee assigned to a shift, which begins at or after 2000 and before 0559 will
35 receive a shift differential of fifty eight cents (\$0.58) per hour.

36
37 3. No shift differential will be received by an employee assigned to a shift which
38 begins at or after 0600 and before 0859.

39
40 4. An employee whose assignment is to cover for shift relief or days off will be paid a
41 premium of sixty one cents (\$0.61) for all hours worked during the week.

ARTICLE 16 – COMPENSATION

Example Start Times:

0600	to	0859	None
0900	to	1959	\$0.51
2000	to	0559	\$0.58
Relief shifts			\$0.61

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

ARTICLE 17 – PROFIT SHARING

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

ARTICLE 17 – PROFIT SHARING

- 1 E. Profit sharing award payments shall generally be made by March 15th of the
2 subsequent calendar year or other such date as required by applicable law.
3
- 4 F. The Company retains discretion over all profit sharing related matters not specifically
5 addressed in this Article.

ARTICLE 18 - OVERTIME

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

ARTICLE 18 - OVERTIME

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

ARTICLE 19 –TRAVEL/TRAVEL PAY

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

ARTICLE 19 –TRAVEL/TRAVEL PAY

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

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

ARTICLE 19 –TRAVEL/TRAVEL PAY

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

ARTICLE 20 – INTENTIONALLY LEFT BLANK

ARTICLE 21 - ISSUANCE OF SIDA BADGE

A. Renewing SIDA Badge

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

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

B. Obtaining a New SIDA Badge

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

ARTICLE 21 - ISSUANCE OF SIDA BADGE

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

ARTICLE 21.1 BACKGROUND CHECK LOA

RE: BACKGROUND CHECK

Revised March 26, 2020

Tim Klima
Airline Coordinator
Transportation Department IAMAW

Mike Mayes
Air Division Director
Transport Workers Union of America

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

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

Sincerely,

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

ARTICLE 22 – HOLIDAYS

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

ARTICLE 22 – HOLIDAYS

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

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

ARTICLE 22 – HOLIDAYS

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

ARTICLE 23 – VACATION

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

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

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

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

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

ARTICLE 23 – VACATION

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

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

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

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

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

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

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

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

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

ARTICLE 23 – VACATION

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

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

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

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

23 L. Bid Vacation periods may not be cancelled unless another vacation period can be
24 simultaneously awarded.

ARTICLE 24 – SICK LEAVE

- 1 A. Employees with more than one (1) month service with the Company will accrue eight
2 (8) hours of sick leave credit for each month (excluding the months of June and
3 October) of service up to a maximum of sixteen hundred (1600) hours credit.
4 Employees must be in an active pay status (All hours paid) for eighty (80) hours in a
5 month to accrue sick leave for the month. For purposes of this paragraph, time spent
6 on Military, Occupational Injury leaves, or unpaid FMLA leaves shall count towards
7 the eighty (80) hour requirement. Employees receiving Severance Allowance do not
8 accrue sick leave.
9
- 10 B. Employees shall be paid at 100% beginning with and including the first (1st) day of
11 any illness provided they have sick leave remaining in the bank.
12
- 13 C. During an illness, the number of hours paid will be charged against the accumulated
14 hours and eight (8) hours credit for each succeeding month (excluding the months of
15 June and October), of service shall again be credited to the employee until the total
16 credit again reaches sixteen hundred (1600) hours. Sick leave usage within a pay
17 period will be reflected on the employee's pay stub.
18
- 19 D. The Company will provide a sick leave balance on employee pay stubs. The seniority
20 roster will also show accumulated sick leave credits.
21
- 22 E. Employees who have more than, sixteen hundred (1600) hours in their sick bank as
23 of March 26, 2020, will be grandfathered and will not accrue sick leave until such time
24 their sick leave bank drops below sixteen hundred (1600) hours.
25
- 26 F. An employee unable to report for duty will, unless prevented by reasons beyond his
27 control, notify his immediate supervisor or other central point set up for reporting
28 purposes by the Company as far in advance of the scheduled starting time of his shift
29 as possible.
30
- 31 G. The employees and the Union recognize their obligation of being truthful and honest
32 in preventing unnecessary absences or other abuses of sick leave privileges.
33 Employees may be required to present confirmation of illness and the Company
34 reserves the right to require, when in doubt of a bona fide claim a physician's certificate
35 to confirm such sick claim. Employees who abuse sick leave privileges may be subject
36 to disciplinary action by the Company.
37
- 38 H. Except as specified in K (2) of this Article, only hours absent due to illness or injury
39 of the employee which are not compensable under the applicable Worker's
40 Compensation Laws will be paid for from his allowed sick leave. Payment will be
41 based on the employee's regular hourly rate.
42
- 43 I. The intended purpose of the sick leave benefit is to protect the earnings of the
44 employee during necessary absence from work due to illness or injury, and to aid the
45 employee in meeting bills when sickness or injury have temporarily taken away his
46 ability to work.

ARTICLE 24 – SICK LEAVE

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

ARTICLE 25 - LEAVES OF ABSENCE

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

A. Personal Leave of Absence

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

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

B. Adoption/Maternity/Paternity Leave

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

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

ARTICLE 25 - LEAVES OF ABSENCE

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

C. Family Medical Leave Act

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

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

D. Union Leave

18
19
20
21 Employees accepting full time employment with the Union (TWU Local Officers,
22 District Lodge Representatives, IAM/TWU International Representatives) shall, during
23 such employment, be granted an indefinite leave of absence by the Company. Such
24 leave will not affect the seniority status of the employee and all employee benefits
25 shall continue in effect during his leave of absence.

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

ARTICLE 25 - LEAVES OF ABSENCE

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

E. Medical Leave of Absence

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

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

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

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

ARTICLE 25 - LEAVES OF ABSENCE

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

G. Military Leave

8

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

H. Political Leave

21

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

I. Jury Duty

33

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

ARTICLE 25 - LEAVES OF ABSENCE

J. Bereavement Leave

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

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

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

K. An MTS employee may request a one-time payment for all or part of his accrued vacation/comp time while on an unpaid leave of absence. However such payment will not affect the employees leave status.

L. Any employee on personal, medical, or occupational leave of absence, of more than seven (7) consecutive days, engaging in gainful employment not provided for in this Article without written permission from the Company and the Union, or engaging in activities which may bring discredit to the Company or its employees, shall be deemed to have resigned and his name stricken from the seniority roster.

M. Unless otherwise specified, employees not returning from any leave of absence within the time frame as described in the Leave of Absence matrix in this article, will be deemed to have resigned from their position. This provision does not apply to

ARTICLE 25 - LEAVES OF ABSENCE

1 furloughs.
2

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

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

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

18 2. The rights of an employee on a leave of absence under the provisions of this
19 Article, in regard to the maximum duration of a leave, Company seniority accrual,
20 classification seniority accrual, pay seniority accrual, vacation accrual, sick leave
21 accrual, credited service for pension, and reinstatement rights are listed in the
22 chart that follows.
23
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45

ARTICLE 25 - LEAVES OF ABSENCE

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

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

ARTICLE 26 – LIMITED DUTY

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

ARTICLE 26.1 – LIMITED DUTY LOA

December 5, 2017

Tim Klima
Airline Coordinator
Transportation Department IAMAW

Mike Mayes
Air Division Director
Transport Workers Union of America

Limited Duty

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

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

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

If you have any questions, please let me know.

Sincerely,

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

Agreed to:

/s/ Tim Klima
Airline
Transportation Department IAMAW

/s/ Mike Mayes
Air Division Director
Transport Workers Union

cc: J. Glass
C. Barton
R. Jones
S. Pantoja
A. Garcia

ARTICLE 27 - FITNESS FOR DUTY

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

ARTICLE 27 - FITNESS FOR DUTY

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

ARTICLE 28 - SAFETY AND HEALTH

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

ARTICLE 28 - SAFETY AND HEALTH

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

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

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

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

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

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

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

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

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

ARTICLE 28 - SAFETY AND HEALTH

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

ARTICLE 29 - BENEFITS

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

A. LIFE INSURANCE – Active Employees

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

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

B. HEALTHCARE COVERAGE - Employees

17
18
19
20 The Company will provide the following healthcare coverage for eligible TWU/IAM
21 Association represented employees under the American Airlines, Inc. Health & Welfare
22 Plan for Active Employees (“Medical Plan”) (with medical coverage being referred to
23 herein as “Employee Medical Coverage”):

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

ARTICLE 29 - BENEFITS

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

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

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

ARTICLE 29 - BENEFITS

9. New hire employees eligible for healthcare coverage will default to the Medical Plan's Core option for Employee only coverage on their eligibility date unless the employee waives coverage or elects another healthcare coverage option or level of coverage offered during the initial enrollment period.
10. 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 options will be eligible for those incentives provided they meet the criteria (as established by the Company in its discretion) for earning the incentive.
11. Chart of Medical Plan Coverage Option Design Features for 2020:

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

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

ARTICLE 29 - BENEFITS

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

3
4 The following provisions apply to the Standard option:

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

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

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

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

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

- 32
33 a. Legacy US Airways employees enrolled in the Legacy US Airways Medical
34 Plan immediately prior to March 26, 2020 will continue to be eligible to
35 participate in the Legacy US Airways Medical Plan, subject to the following:
- 36
37 i. The PPO 80/60 option will be a coverage option under the Legacy US
38 Airways Medical Plan.
- 39
40 ii. The PPO 90/70 option will be a coverage option under the Legacy US
41 Airways Medical Plan until it sunsets on December 31st of the year in which
42 the Agreement becomes amendable. Provided, however, that if the
43 amendable date falls within or after the annual enrollment period occurring
44 in the Amendable Year, participants in the PPO90/70 option will have the
45 option to remain in the PPO 90/70 option until December 31st of the year

ARTICLE 29 - BENEFITS

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

3
4 iii. The Legacy US Airways Medical Plan PPO 100/80 option will sunset on
5 December 31, 2020. If participants in the PPO 100/80 option do not elect
6 a new coverage option during the open enrollment in the year the PPO
7 100/80 sunsets, such participants will be defaulted into PPO 80/60option
8 coverage for the following year.

9
10 b. The Legacy US Airways Medical Plan will not be open to new participants,
11 including new hires and transfers who are not already enrolled in the Legacy
12 US Airways Medical Plan, on and after March 26, 2020; provided, however,
13 that the following will have a one-time opportunity to enroll in the Legacy US
14 Airways Medical Plan during the 2020 annual enrollment:

15
16 i. Eligible Legacy US Airways employees who, as of March 26, 2020, who are
17 not, enrolled in the Legacy US Airways Medical Plan.

18
19 ii. Eligible employees in the following accreted groups as of March 26, 2020:
20 Central Load Planners, Tower/Operations/Control Center Coordinators,
21 Quality Assurance Auditors, Aircraft Maintenance Planners, Technical
22 Documentation Specialists, Bill of Work/EO/AD Planners, Material
23 Planners, and AOG-MCU Planners, Maintenance Training Specialists.

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

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

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

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

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

ARTICLE 29 - BENEFITS

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

C. DENTAL COVERAGE

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

Chart of Dental Coverage Design Features for 2020:

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

ARTICLE 29 - BENEFITS

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

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

D. VISION COVERAGE

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

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

E. DISABILITY COVERAGE

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

F. MEDICAL COVERAGE – Retirees

The following is effective for all TWU/IAM Association represented employees retiring on or after March 26, 2020:

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 insurance benefits.
2. For retiree medical coverage for retirees ages fifty-five (55) through sixty-four (64): Eligible employees retiring on or after age fifty-five (55) with five (5) years of service and through age sixty-four (64) will have access to a Company-sponsored retiree medical plan 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.
3. Retiree medical coverage shall cease when the retired employee attains age sixty-five (65). Retirees age sixty-five (65) and over will be offered access to purchase,

ARTICLE 29 - BENEFITS

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

G. SICK LEAVE CONVERSION TO HEALTH RETIREMENT ACCOUNT

4
5
6 The Company shall establish a Health Reimbursement Account ("HRA") for eligible
7 TWU/IAM Association represented retirees who:
8

- 9 1. Meet the retirement criteria of the 65-point plan or equivalent policy and retire from
10 the Company;
11

12 and
13

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

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

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

H. LIFE INSURANCE - Retirees

31
32
33 The Company is not required to maintain, fund, or provide for retiree life insurance
34 benefits.

ARTICLE 29 - BENEFITS

I. NON-INCORPORATION

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

J. TOOL BOX INSURANCE

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

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

\$5,000-----Rollaway, Tool Box, Tote Tray and Contents

\$2,000-----Tool Box, Tote Tray and Contents

\$1,000-----Tote Tray and Contents

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

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

K. BOMB SCARE INSURANCE

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

Death \$500,000

Total Permanent Disability \$500,000

Total Loss of Two members \$500,000

Total Loss of One member \$250,000

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

ARTICLE 29 - BENEFITS

L. TRAVEL WHILE ON WORK ASSIGNMENT

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

M. TEST FLIGHT INSURANCE

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

ARTICLE 30 - RETIREMENT

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

For purposes of this Retirement Article:

1. The term "IAM Designated Employees" shall mean all eligible employees participating in the IAM National Pension Fund immediately prior to March 26, 2020 regardless of location and all eligible employees hired by the Company on or after March 26, 2020 at a base, station, or location designated by the Association as an IAM location, irrespective of future relocation, and in a job classification covered by any TWU/IAM Association Agreement.
2. The term "TWU Designated Employees" shall mean all employees eligible to receive employer matching contributions under the American 401(k) Plan immediately prior to March 26, 2020 and all eligible employees hired by the Company on or after March 26, 2020 at a base, station, or location designated by the Association as a TWU location, irrespective of future relocation, and in a job classification covered by any TWU/IAM Association Agreement.

B. IAM National Pension Fund

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

March 26, 2020 Pension Rates, 2% in out years rounded to nearest .05	2020	2020 +12 mos.	2020 +24 mos.	2020 +36 mos.	2020 +48 mos.
AMT/Mechanics and higher classifications, Quality Assurance Auditors, Planners, and Tech Doc (U50A) Grouping	\$2.95	\$3.00	\$3.05	\$3.15	\$3.20
Maintenance Control Technician (MCT) (A20C)	\$2.95	\$3.00	\$3.05	\$3.15	\$3.20
Utility/Cleaner (U52A)	\$1.65	\$1.70	\$1.70	\$1.75	\$1.80

ARTICLE 30 - RETIREMENT

MTS (U19A)	\$3.30	\$3.35	\$3.45	\$3.50	\$3.60
Stock Clerk / MLS (U51A)	\$1.90	\$1.95	\$2.00	\$2.00	\$2.05
Full Time Fleet (U17A)	\$1.70	\$1.75	\$1.75	\$1.80	\$1.85
Part Time Fleet (U18A)	\$1.25	\$1.30	\$1.30	\$1.35	\$1.35

2. For purposes of this IAM National Pension Fund section of this Retirement Article, the term Employer shall mean the Company.
 3. The Company shall continue contributions for all contractually obligated time paid in accordance with the IAM National Pension Fund Standard Contract Language, up to a maximum contribution for each employee of forty (40) hours per week.
 4. The Employer adopts and agrees to be bound by, and hereby assent to, the IAM National Pension Fund Amended and Restated Trust Agreement, including all amendments thereto, whether adopted before or after the date of this Agreement ("Trust Agreement"), which is incorporated into this Agreement and made a part hereof, and the Plan rules adopted by the Trustees of the Fund (the "Trustees") in establishing and administering the foregoing Plan pursuant to the Trust Agreement, as currently in effect and as the Trust and Plan may be amended from time to time.
 5. The parties may increase the Contribution Rate and/or add job classifications or categories of hours for which contributions are payable. The parties acknowledge that the Trustees may terminate the participation of the employees and the Employer in the Plan for reasons including, but not limited to, if the successor collective bargaining agreement fails to renew the provisions of this pension Article or reduces the Contribution Rate.
 6. Except for the June 12, 2019 Pension Fund LOA and the Standard Contract Language, this Article contains the entire agreement between the parties regarding pensions and retirement under this Plan and any contrary provisions in this Agreement shall be void. No oral or written modification of this Agreement shall be binding upon the Fund unless agreed to in writing by an authorized representative of the Fund. No grievance procedure, settlement or arbitration decision with respect to the Company's obligation to contribute shall be binding upon the Fund, unless the Fund has agreed to be a party to such proceeding.
- C. American Airlines, Inc. 401(k) Plan
1. All eligible TWU/IAM Association represented employees will participate in the American Airlines, Inc. 401(k) Plan ("American 401(k) Plan"), a tax qualified, defined-contribution retirement plan under Section 401(a) of the

ARTICLE 30 - RETIREMENT

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.

2. Employer Contributions

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 under the American 401(k) Plan, as follows:

- (i) Employer Contributions for IAM Designated Employees: IAM Designated Employees shall be eligible to 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 four percent (4.0%) of their Eligible Compensation, as defined in the American 401(k) Plan.
- (ii) Employer Contributions for TWU Designated Employees: TWU Designated Employees shall receive Non-Elective Employer Contributions in an amount equal to five percent (5%) of their Eligible Compensation, as defined in the American 401(k) Plan. TWU Designated Employees will also be eligible to 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 four percent (4.0%) of Eligible Compensation, as defined in the American 401(k) Plan.

3. Eligibility for Employer Contributions

- (i) Employer Matching Contributions: All Association represented employees must satisfy the one (1) year service requirement, as defined in the American 401(k) Plan, to be eligible to receive Employer Matching Contributions in the American 401(k) Plan. Provided, however, that all Association represented employees who are on the American Airlines System Seniority List as of March 26, 2020 and who are not eligible to receive Employer Matching Contributions as of March 26, 2020 shall have all prior service with the Company and/or AAG recognized for purposes of determining eligibility for post March 26, 2020 Employer Matching Contributions to the American 401(k) Plan.

ARTICLE 30 - RETIREMENT

- 1 (ii) Non-Elective Employer Contributions: All TWU Designated
2 Employees must satisfy the one (1) year service requirement, as
3 defined in the American 401(k) Plan, to be eligible to receive Non-
4 Elective Employer Contributions in the American 401(k) Plan.
5 Provided, however, that all TWU Designated Employees who are on
6 the American Airlines System Seniority List as of March 26, 2020 and
7 who are not eligible to receive Non-Elective Employer Contributions
8 as of March 26, 2020 shall have all prior service with the Company
9 and/or AAG recognized for purposes of determining eligibility for post
10 March 26, 2020 Non-Elective Employer Contributions to the
11 American 401(k) Plan.
12
13

14 4. Vesting or Employer Contributions
15

- 16 (i) Employer Matching Contributions: All Association employees with
17 two (2) or more years of vesting service, as defined in the American
18 401(k) Plan, shall be one hundred percent (100%) vested in their
19 Employer Matching Contributions. Provided, however, that all
20 Association represented employees who are on the American
21 Airlines System Seniority List as of March 26, 2020 and who are not
22 vested in their Employer Matching Contributions as of March 26,
23 2020 shall have all prior service with the Company and/or AAG
24 recognized for purposes of determining vesting for post March 26,
25 2020 Employer Matching Contributions to the American 401(k) Plan.
26

- 27 (ii) Non-Elective Employer Contributions: All TWU Designated
28 Employees with two (2) or more years of vesting service, as defined
29 in the American 401(k) Plan, shall be one hundred percent (100%)
30 vested in their Non-Elective Employer Contributions. Provided,
31 however, that all TWU Designated Employees who are on the
32 American Airlines System Seniority List as of March 26, 2020 and
33 who are not vested in their Non-Elective Employer Contributions as
34 of March 26, 2020 shall have all prior service with the Company
35 and/or AAG recognized for purposes of determining vesting for post
36 March 26, 2020 Non-Elective Employer Contributions to the
37 American 401(k) Plan.
38

- 39 5. The Company reserves the right to amend the American 401(k) Plan,
40 provided that no amendment may diminish the American 401(k) Plan
41 benefits memorialized herein unless required by law.
42

- 43 6. The American 401(k) Plan is not incorporated in this Agreement.

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

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

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

1. Employees who retain seniority under this Agreement and who are regularly assigned or transferred to employment not covered by this Agreement, are on leave, or are furloughed, will not be required to maintain membership or provide financial support as provided in Paragraph A of this Article, but they may do so at their option. Should such employee return to any service covered by this Agreement, he shall as a condition of continued employment become and remain a member in the Union, or pay service charges within thirty (30) days from the date of return to service.

2. The seniority status and rights of employees who serve in the Armed Forces shall not be terminated by reason of any provisions of this Agreement, but such an employee, upon resumption of employment shall as a condition of continued employment become and remain a member of the Union, or pay service charges within sixty (60) days from the date of return to service.

3. If an employee has resigned from the Company and is subsequently rehired, he shall as a condition of continued employment become and remain a member of the Union, or pay service charges within sixty (60) days from the date of rehire.

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

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

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

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

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

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

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

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

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

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

1. With respect to current employees covered by this Agreement, any authorization and assignment forms previously executed shall continue in full force and effect according to their terms, with American as the successor to US Airways, Inc. for employees who are IAM members or service charge payers.
2. With respect to employees hired after the date of this Agreement, a form for the purpose of Assignment and Authorization for Payment of Dues or Service Charge shall be prepared by the Union and furnished to the Company.
3. When a new employee properly executes the assignment and authorization form, the original copy will be forwarded to the Company's payroll department. Any form which is incomplete or improperly executed will be returned to the Union.
4. An employee's assignment and authorization may only be revoked after the expiration of one (1) year from the date of signing the authorization and assignment form, or upon the termination of the dues/service charge check-off provisions of this Article. Any notice of revocation must be in writing, signed by the employee, and delivered by certified mail to the TWU Local Union office or the IAM District Lodge office, as applicable.
5. When an Assignment and Authorization form, as specified in this Article, is received by the Company 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 TWU and the IAM checks in payment of all dues and service charges collected on a given payday on behalf of each, on or as soon after the payday as practicable. The Company remittance will be accompanied by a list of names, personnel numbers, and station numbers of the employees for whom deductions have been made in the particular period, arranged in order of their personnel numbers. Additionally, the remittance will be accompanied by a listing of those employees who are on unpaid leave of absence or furlough, have accepted a position not covered by this Agreement, or have terminated employment with the Company.
6. No dues or service charge deductions will be made from the wages of any employee who has executed an assignment and authorization form and who transfers to a position not covered by this Agreement, is on leave without pay, or is on furlough. Upon return to work in a position covered by this Agreement, deductions will be automatically resumed in accordance

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

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

7. Deductions for dues and service charges will be made 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 a termination of employment, the obligation of the Company to collect dues and service charges will not extend beyond the pay period in which the last day of work occurs.
8. Following submission of the assignment and authorization for a newly hired employee, a single flat sum deduction for an initiation fee (if applicable) shall be made from the employee's paycheck, provided that there is a balance in the paycheck sufficient to cover the amount after all other deductions authorized by the employee and required by law have been satisfied.
9. If sufficient earnings do not remain after other deductions as provided in Paragraphs H (7) and H (8) above, or if there are employees on the payroll that do not have on file with the Company an authorization for deductions as set forth in this Article, the TWU or IAM, as applicable, shall be notified. Notification shall include employee personnel number, name, classification code, department, location and, if applicable, the amount of deduction for each period and total amount for the month. It shall thereafter be the responsibility of the TWU and the IAM respectively to collect amounts owed for which sufficient funds were not available for deduction.
- I. The TWU and the IAM each agree to indemnify the Company and hold it harmless against any and all suits, claims, demands and liabilities, which arise out of or by reason of any action taken or not taken by the Company for the purpose of complying with any provisions of this Article. The Company agrees that in the event it is named as a defendant or charged party in any such action, the Company shall promptly notify the Union. The Union shall maintain the exclusive right to defend, settle, mitigate damages, litigate, and/or take whatever action it deems necessary and proper through attorneys of the Union's choosing and at the Union's cost. If the Company, nevertheless, decides to retain its own counsel, it shall do so at its own cost, and not at the cost of the Union.

ARTICLE 31-UNION SECURITY AND DUES CHECK-OFF

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

ARTICLE 32 - REPRESENTATION

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

ARTICLE 32 - REPRESENTATION

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

- 4
5 1. When the Company conducts an investigation the Union Representative,
6 employee, and necessary employee witnesses, shall receive their
7 applicable rate of pay.
8

9 G. No employee selected as an officer or representative of the Union will be
10 discriminated against for lawful activity on behalf of the Union.
11

12 H. Service records shall be maintained for all employees by the Company and upon
13 resignation or discharge from the service the employee, upon request, will be
14 furnished with a copy of same. In discharge cases, the employee and his Union
15 representative will have access to the personnel records applicable to the case
16 prior to the holding of any hearing.
17

18 I. Union representatives will, upon request of the TWU Local President/IAM General
19 Chairman, be assigned to a fixed shift and days off. The arrangements will be
20 worked out at each station by that Union representative and the local manager.
21

22 J. In meetings for the purpose of investigation of any matter which may eventuate
23 in the application of discipline or dismissal, or when written statements may be
24 required, or of sufficient importance for the Company to have witnesses
25 present, or to necessitate the presence of more than one Company
26 supervisor, or during reasonable cause or post-accident drug/alcohol testing
27 as provided for in this Article, the Company will inform the employee, including a
28 probationary employee, of his right to have Union representation present. If the
29 employee refuses representation, the supervisor's record will reflect his refusal.
30

31 K. At the start of a meeting under the provisions of this Article, the Company will,
32 except in rare and unusual circumstances, indicate the reason that causes the
33 meeting and then provide an opportunity for the employee and his Union
34 Representative to confer for a reasonable period of time. Following that period,
35 the meeting will be reconvened and continue until concluded by the supervisor.
36

37 L. Employees covered by this Agreement who are interviewed by a Company
38 Security Department representative as part of a Security Department
39 investigation may, upon request, have a Union Representative present
40 during the interview. If a local Union Representative is not readily available
41 after the request, the Company's Security Department will not be required to
42 wait for his availability before conducting its interview. However, the employee in
43 that circumstance may request the presence of another Union represented
44 employee (peer witness) to be present. The role of the Union Representative
45 or peer witness will be that of a silent observer only. The Union
46 Representative or peer witness may in no way interfere nor impede the

ARTICLE 32 - REPRESENTATION

1 Security Department's investigation and/or interview.
2

3 M. Employees who are required to take a reasonable cause or post-accident
4 drug/alcohol test by the Company may, upon request, have a Union
5 Representative present who shall not suffer loss of pay, as a witness during
6 those parts of the specimen collection process indicated below.
7

- 8 1. In those stations where a local Union Representative is not readily
9 available, the Company will delay the test for up to one (1) hour from the
10 time the employee requests or is notified of his right to Union
11 representation, whichever occurs first, in order to allow the first available
12 representative to be present at the medical facility.
13
- 14 2. If normal travel time to the medical collection facility exceeds one (1)
15 hour, then the one (1) hour waiting period will be extended by the amount
16 of travel time in excess of one (1) hour.
17
- 18 3. Only one (1) Union Representative will be allowed to accompany the
19 employee to the medical collection facility and into the area where the
20 medical collector opens the drug testing kit, completes the relevant
21 paperwork, and secures the kit after completion of the collection process.
22 The Union Representative will be allowed to witness the opening of the
23 collection kit by the collector, the documentation of the chain of
24 custody procedure by the collector and the employee, and the
25 packaging and sealing of the kit for shipment following the collection.
26 The Union Representative will not be allowed to accompany the
27 employee or collector into the restroom.
28

29 N. No Union Representative will engage in any activity, which disrupts the
30 collection process. Should the Union Representative engage in disruptive
31 activity, the Union Representative will be required by the Company's
32 Supervisor to wait in the employee/patient waiting area until the collection
33 process and paperwork has been completed.
34

ARTICLE 33 - GRIEVANCE PROCEDURE

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

1. Verbal Step

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

Step 1

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

Step 2

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

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

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

ARTICLE 33 - GRIEVANCE PROCEDURE

Step 3

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

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

Time Limits

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

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

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

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

ARTICLE 33 - GRIEVANCE PROCEDURE

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

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

C. Discharge & Discipline

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

ARTICLE 33 - GRIEVANCE PROCEDURE

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

c. Failure to cooperate with an investigation.

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

D. Special Hearing

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

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

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

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

ARTICLE 33 - GRIEVANCE PROCEDURE

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

ARTICLE 34- SYSTEM BOARD OF ADJUSTMENT/ARBITRATION

- 1 A. In compliance with Section 204, Title 2 of the Railway Labor Act, as amended, there
2 is hereby established a System Board of Adjustment/Arbitration ("System Board") for
3 the purpose of adjusting and deciding disputes or grievances which may arise under
4 the terms of this Agreement, and which are properly submitted to it after exhausting
5 the procedure for settling disputes as set forth under Article 33. However, by mutual
6 agreement, any cases properly referable to the System Board may be submitted to it
7 in the first instance.
8
- 9 B. The System Board shall consist of three (3) members; one (1) selected by the
10 Company, one (1) selected by the Union and one (1) selected for each dispute from
11 a panel of eleven (11) Arbitrators established by mutual agreement between the Union
12 and the Company. After a panel member has served for a period of two (2) years,
13 either party may request that such member be removed from the panel. However, a
14 member of the panel may be removed during the term of this Agreement by mutual
15 agreement between the parties. When a change is made, the parties will select the
16 new panel member(s) by the same method used to select the original panel members.
17
- 18 C. Hearings of the System Board for discipline and discharge cases will be held in the
19 city of the Company's operating bases where the grievant is located. Hearings of the
20 System Board for contractual interpretation cases will be held in the city of the
21 Company's corporate headquarters unless otherwise mutually agreed to between the
22 parties.
23
- 24 D. The System Board shall have jurisdiction over disputes between any employee
25 covered by this Agreement and the Company growing out of grievances or out of
26 interpretation or application of any of the terms of this Agreement. The jurisdiction of
27 the Board shall not extend to proposed changes in hours of employment, basic rates
28 of compensation or working conditions covered by this Agreement or any of its
29 amendments.
30
- 31 E. The Board shall consider any dispute within the System Board's jurisdiction submitted
32 to it by the Union or by the Company's Chief Operating Officer or his authorized
33 representative, when such dispute has not been previously settled in accordance with
34 the terms of this Agreement.
35
- 36 F. All disputes properly referred to the Board for consideration shall be addressed to the
37 Board Members.
38
- 39 Each case submitted shall show:
40 1. Question or questions at issue;
41
42 2. Statement of facts;
43
44 3. Position of employee or employees;
45
46 4. Position of Company.

ARTICLE 34- SYSTEM BOARD OF ADJUSTMENT/ARBITRATION

1 When possible, joint submissions will be made, but if the parties are unable to agree
2 upon a joint submission, then either party may submit the dispute and its position to
3 the Board. No matter shall be considered by the Board, which has not first been
4 handled in accordance with the appeal provisions of this Agreement, including the
5 rendering of a decision thereon by the Chief Operating Officer of the Division or his
6 duly designated representatives.
7

8 G. Upon receipt of notice of the submission of a dispute, the parties shall agree on a date
9 for the hearing, or if at least two (2) members of the Board consider the matter of
10 sufficient urgency and importance then at such earlier date and at such place as the
11 parties shall agree upon, but not more than thirty (30) days after such request for
12 meeting is made.
13

14 H. An employee covered by this Agreement may be represented at System Board
15 hearings by a person(s) designated by him and the Company may be represented by
16 a person(s) designated by it. Evidence may be presented both orally and in writing.
17 Individual members of the System Board may, summon any witnesses who are
18 employed by the Company and who may be deemed necessary by the parties to the
19 dispute.
20

21 I. The decision of the System Board shall be rendered within thirty (30) days after the
22 close of the hearing. A majority vote of the members of the System Board shall be
23 necessary to make a decision. The decisions will be final and binding upon the
24 Company, the Union and the grievant(s).
25

26 J. The time limits specified in this Article may be extended by mutual agreement between
27 the parties to this Agreement.
28

29 K. Nothing contained in this Article will be construed to limit, restrict, or abridge the rights
30 or privileges accorded either to the employees, the Company, or their duly accredited
31 representatives under the provisions of the Railway Labor Act, as amended.
32

33 L. The System Board shall maintain a complete record of all matters submitted to it for
34 consideration, and of all findings and decisions made by it.
35

36 M. Each of the parties will assume the compensation, travel expense and other expenses
37 of the System Board members selected by them.
38

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

ARTICLE 34- SYSTEM BOARD OF ADJUSTMENT/ARBITRATION

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

ARTICLE 35 – GENERAL

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

ARTICLE 35 – GENERAL

1 L. All orders to and requests from an employee involving transfers, promotions,
2 demotions, layoff, recall, leaves of absence, or anything affecting his pay will be in
3 writing.
4

5 M. An employee who permanently transfers at his own request to another classification
6 of work as provided in any other Agreement that has reciprocating language will
7 continue to receive his same hourly rate but, in no event, will his hourly rate exceed
8 the maximum rate for the classification to which he transferred.
9

10 If his hourly rate at the time of such transfer is not the same as any regular rate
11 per hour for the classification to which he transferred, he will immediately
12 receive the nearest higher regular rate per hour for such classification.
13 Thereafter, the employee shall progress on the normal progression scale in
14 the new classification. In the case of a transfer from a higher to a lower
15 classification caused by a reduction in force under this Agreement, the above
16 rules will apply.
17

18 N. This Agreement may not be amended or supplemented except by a written Letter of
19 Agreement signed by both the Vice President or Managing Director of Labor Relations
20 or their designee on behalf of the Company and the Chair and Co-Chair of the
21 Association or their designees.
22

23 O. The Labor Advisory Committee will include a minimum of two (2) representatives
24 designated by the Association for the purpose of addressing issues of common
25 interest among all employees at the Company.
26

27 P. When an employee is scheduled for an O.S.H.A. hearing exam outside of his regular
28 shift, he will be paid for the time spent outside of his regular shift as if it were time
29 spent at his regular work, and overtime rates would apply, if applicable.
30

31 Q. To the extent the Company, Union, and FAA maintain an ASAP or similar program,
32 employees covered by this Agreement will be eligible to participate.
33

34 R. The Company will allow the Union an opportunity, during local orientation, to meet
35 with new employees and transferees regarding Union matters.
36

37 S. An employee who appears as a witness in a legal proceeding at the request of the
38 Company will be paid during witness service.
39

40 T. An employee who is compelled by subpoena to testify in any other legal proceeding,
41 will be allowed time off to attend such proceedings. An employee compelled to testify
42 in any legal proceeding (except those against the Company), may at his option, use
43 any compensated time off (excluding block vacation and sick) to make up his wages
44 for time missed when attending such proceedings.
45
46

ARTICLE 35 – GENERAL

1 U. The Company will promptly notify the employees and the Union of the use of any
2 material, equipment, or procedure known to be hazardous to employees exposed
3 and the known procedures to control the hazards via a Safety Data Sheet (SDS).
4 The Company will promptly provide the Union with the results of any management
5 or government health and safety survey concerning the employees represented by
6 the Union.

7
8 V. When the Company is made aware, by the manufacturer or distributor of a product
9 recall or equipment recall, the Company will take appropriate action to ensure the
10 safety of its employees. The Company will also notify the Union of the issue as soon
11 as possible and of any subsequent action that is taken.

12
13 W. The Company will make every reasonable effort to provide necessary shipping
14 containers and transportation for all materials and equipment required for instruction of
15 any class. While it is not the intent of the company to require an employee to personally
16 transport these items, in the event that circumstances require an employee to transport
17 these items, he will be reimbursed for any reasonable expenses incurred.

18
19 X. The Company will provide employees reasonable preparatory time for the study of
20 subject material prior to instructing the material for the first time and/or prior to
21 instructing a course the employee has not taught within the past six (6) months.

22
23 Y. Employees who resign will give the Company two (2) weeks' notice of resignation in
24 writing. The Company may, at its option, give the employee two (2) weeks of pay at
25 his base hourly rate.

ARTICLE 36 UNIFORMS

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

ARTICLE 37 – ASSOCIATION BULLETIN BOARDS

- 1 A. The Company will provide locked and secured bulletin boards at each station/location
2 consistent with the practice we have today, where employees are employed, marked
3 Transport Workers Union of America, AFL-CIO, International Association of Machinist,
4 AFL-CIO, and the appropriate Local/Lodge number, for the posting of official notices
5 of Union activities not inconsistent with the Railway Labor Act, as amended. Notices
6 will bear the signature of an officer of the Union and will not contain anything of a
7 defamatory or personal nature attacking the Company or its representatives. No
8 political circulars, propaganda or advertisements will be placed on these bulletin
9 boards. The Company will not oppose the Union's posting of any bulletins offering
10 benefits provided by any insurance company sanctioned by the Union on the bulletin
11 boards for employees covered under this agreement.
12
- 13 B. Bulletin boards will be located in areas that will be easily accessible to employees in
14 each area as agreed to between the parties.
15
16
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36

ARTICLE 38 - NO STRIKE - NO LOCKOUT

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

ARTICLE 39 – RECOGNITION OF RIGHTS AND COMPLIANCE

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

ARTICLE 40 – RETIREMENT BENEFIT

- 1 A. The Company has maintained a retirement plan for the employees for a number of
2 years. The full text of “The Retirement Benefit Plan of American Airlines, Inc. for
3 Employees Represented by the Transport Workers Union of America, AFL-CIO”
4 (successor to “The American Airlines, Inc. Retirement Benefit Plan for Maintenance
5 and Related Employees”) ("Plan") is on file with the Company and is available to
6 the employees in accordance with government regulations. The Plan has been
7 amended to enhance and clarify benefits over time. The Plan is frozen effective 11:59
8 p.m. on October 31, 2012.
9
- 10 B. The following changes to the Plan were made by Letter dated August 9, 1980.
11
- 12 a. For an employee member who was first eligible to join the Plan prior to
13 January 1, 1956, credited service will be counted from the January 1st or July
14 1st following his or her completion of one year of Company service.
15
- 16 b. For the employee member who was first eligible to join the Plan between
17 January 1, 1956 and April 1, 1978, credited service will be counted from
18 the January 1st or July 1st following his or her completion of one year of
19 Company service and the attainment of age twenty-five (25).
20
- 21 c. For the employee member who was first eligible to join the Plan April 1, 1978
22 or later, credited service will be counted from the first of the month coincident
23 with or next following his or her completion of one year of Company service.
24
- 25 d. After December 31, 1976, credited service will not include periods of unpaid
26 hours in excess of one hundred eighty (180) hours in a calendar year. A leave
27 of absence for Union business for which the employee member has been paid
28 by the Union will be counted as credited service for the Plan.
29
- 30 C. The following changes to the Plan were made by Letter dated August 1, 1985.
31
- 32 a. Effective for employees who are on the active payroll on September 1, 1985,
33 Credited Service under the Retirement Benefit Plan will include any periods of
34 employment during which an employee would have accrued Credited Service if
35 the age 25 eligibility restriction had not existed in prior years. Credited Service
36 will be counted from the January 1st or July 1st following completion of one
37 (1) year of Company service.
38
- 39 b. For purposes of the preceding paragraph, "on the active payroll" means
40 actually at work. It will also include employees who retire from the active payroll
41 in the calendar month preceding September 1, 1985, those who are on a paid
42 sick or vacation period, on an overage leave, or on a Union leave on September
43 1, 1985. It does not include employees who are on a personal leave of

ARTICLE 40 – RETIREMENT BENEFIT

1 absence, unpaid sick leave, or other unpaid absence from work on September 1,
2 1985, unless they actually return to work.

3
4 D. The following changes to the Plan were made by Letter(s) dated May 5, 1989.

- 5
6 a. A new vesting schedule will apply to employees who perform at least one hour
7 of service for which they are paid on or after January 1, 1990.
8
9 b. The new vesting schedule will provide that such employees will become 100%
10 vested after completing five years of vesting service as defined in the plan. Prior
11 to completing five years of vesting service, employees will have 0% vested
12 benefits.
13
14 c. Rules for counting vesting service and for applying breaks in service remain
15 unchanged from the current plan.
16
17 d. The Company agreed to retroactively credit all pensionable hours worked past
18 age 65 for TWU represented employees who retire from the active payroll
19 after January 1989.
20

21 E. The amendments covered in Article 40(e) will be applicable only for those members
22 classified as "Maintenance & Related", who are on active payroll or on an approved
23 leave of absence with recall rights as of March 1, 2001 and whose benefits commence
24 on or after the first day of the month following March 1, 2001.

25
26 a. Final Average Compensation

27
28 The compensation used for calculating a member's retirement benefit will be
29 the average of the highest forty eight (48) consecutive months of pay out of the
30 one hundred and twenty (120) consecutive months of pay preceding the date of
31 retirement. The definition of the compensation used to determine the forty- eight (48)
32 and one hundred and twenty (120) month periods is unchanged. Various formulas
33 exist for benefits, e.g., $1.667 \times \text{Final Average Earnings} \times \text{Years of credited service}$,
34 which are also unchanged.
35

36 b. Eligibility For Benefits – Early Retirement

37
38 A member will be eligible for early retirement on or after attaining the earlier of:

- 39
40 i. age 55 and fifteen (15) years of credited service; or
41
42 ii. age 60 and ten (10) years of credited service.
43

44 c. Early Retirement Benefits

ARTICLE 40 – RETIREMENT BENEFIT

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

LETTERS OF MEMORANDUM – 1 – NEW HIRE CONSIDERATION

1 RE: NEW HIRE CONSIDERATION BETWEEN AGREEMENTS

2
3 February 13, 2018

4
5 Tim Klima
6 Airline Coordinator
7 Transportation Department IAMAW

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

12
13 Re: New Hire Consideration Between Agreements

14
15 This will confirm our understanding reached during negotiations, that qualified employees
16 under the Flight Simulator and Instructor Agreements with a valid transfer request on file
17 will be considered for new hire vacancies in the Fleet Service, Maintenance, and Stores
18 Agreements. The same understanding shall apply in reverse, i.e. a qualified employee
19 covered by the Fleet Service, Maintenance or Stores Agreements with a valid transfer
20 request on file will be considered for new hire vacancies in the Technician or Instructor
21 Agreements.

22
23 Very truly yours,

24
25
26 /s/ James B. Weel
27 Managing Director – Labor Relations
28 American Airlines, Inc.

29
30
31 Agree and Concur:

32
33
34 /s/ Tim Klima
35 Airline Coordinator
36 Transportation Department IAMW

/s/ Mike Mayes
Air Division Director
Transport Workers Union

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

February 12, 2018

Tim Klima
Airline Coordinator
Transportation Department IAMAW

Mike Mayes
Air Division Director
Transport Workers Union of America

Technical Crew Chief – Maintenance Training Specialist
Transition

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

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

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

THEREFORE be it agreed and resolved that:

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

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

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

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

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

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

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

If you have any questions, please let me know.

Sincerely,

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

Agreed to:

/s/ Tim Klima
Airline Coordinator
Transportation Department IAMAW

/s/ Mike Mayes
Air Division Director
Transport Workers Union

LETTERS OF MEMORANDUM – 3 – VOLUNTARY EARLY OUT PROGRAM

1 March 26, 2020

2
3 Tim Klima
4 Airline Coordinator
5 Transportation Department IAMAW
6

7 Mike Mayes
8 International Administrative Vice President
9 Transport Workers Union of America
10

11 Voluntary Early Out Program
12

13 In the event of a headcount overage or the need for a reduction in force which occurs
14 after ratification of a new JCBA for the combined LUS-LAA Association membership,
15 the Company will offer active employees and employees on authorized Union Leave of
16 Absence the opportunity to participate in a Voluntary Early Out Program as follows:
17

18 • Employees must have a minimum of fifteen (15) years of service to participate
19 and have otherwise been unaffected by the reduction.
20

21 • The maximum number of VEOPs (Voluntary Early Outs) offered in a location,
22 classification and bid area / duty assignment will be at a minimum, as
23 determined by the Company, equivalent to the number of reductions in that
24 location, classification and bid area / duty assignment
25

26 • Employees awarded a VEOP will receive a lump sum payment of \$22,500.00
27 within thirty days of the employees release date and lose all rights to any recall
28 and their seniority will be forfeited
29

30 • In addition to lump sum payment, employee will receive any severance
31 allowance as outlined in their applicable TWU/IAM Association agreement(s).
32

33 This Lump sum payment will not have any impact on any Sick Leave Buy Back
34 provisions in any of the Association Collective Bargaining.
35

36 Sincerely,

37
38 /s/ James B. Weel
39 Managing Director – Labor Relations
40

41 Agreed to:

42
43
44 /s/ Tim Klima
45 Airline Coordinator
46 Transportation Department IAMAW

/s/ Mike Mayes
International Administrative Vice President
Transport Workers Union of America

LETTERS OF MEMORANDUM – 4 – VACATION METHODOLOGY

March 2, 2020

Tim Klima

Airline Coordinator

Transportation Department IAMAW

Mike Mayes

Air Division Director

Transport Workers Union of America

Vacation Methodology

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

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

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

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

Sincerely,

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

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

Agreed to:

/s/ Tim Klima
Airline Coordinator
Transportation Department IAMAW

/s/ Mike Mayes
Air Division Director
Transport Workers Union

LETTERS OF MEMORANDUM

LETTERS OF MEMORANDUM – 5 – VACATION LUMP SUM

1 March 4, 2020

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3
4 Tim Klima
5 Airline Coordinator
6 Transportation Department IAMAW

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

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12
13 Vacation Lump Sum Payment

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15
16 During the discussions leading to the Joint Collective Bargaining Agreements (“JCBA’s”) the Company and the Association agreed that if any Association represented employee earned an extra week of vacation as a result of the change in vacation accruals in the vacations tentative agreement, on a one time basis for calendar year 2020 only, the Company will pay out in a lump sum any extra week of earned vacation to any impacted Association employee. Such lump sum will be paid out no later than sixty (60) days after ratification and will be subject to applicable tax withholdings and authorized deductions.

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

25
26
27 Sincerely,

28
29
30 /s/ James B. Weel
31 Managing Director – Labor Relations
32 American Airlines, Inc.

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

33
34 Agreed to:

35
36
37
38 /s/ Tim Klima
39 Airline Coordinator
40 Transportation Department IAMAW

/s/ Mike Mayes
Air Division Director
Transport Workers Union

LETTERS OF MEMORANDUM – 6 – RETIREMENT FROM INACTIVE STATUS

1 March 26, 2020

2
3 Tim Klima
4 Airline Coordinator
5 Transportation Department IAMAW

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

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11
12 During the recent round of negotiations the issue concerning employees retiring from
13 inactive service was discussed. This letter is to confirm that the Company discontinued
14 the practice which required Association Related employees, who are on the seniority
15 roster but not on the active payroll, to return to work for at least one day prior to retirement
16 in order to be eligible for retirement benefits, e.g., flight and medical/dental.

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20 Sincerely,

21
22
23 /s/ James B. Weel
24 Managing Director – Labor Relations
25 American Airlines, Inc.

26
27
28 Agree and Concur:

29
30
31
32 /s/ Tim Klima
33 Airline Coordinator
34 Transportation Department IAMAW

/s/ Mike Mayes
Air Division Director
Transport Workers Union

LETTERS OF MEMORANDUM – 7 – PAYROLL SYSTEMS

March 3, 2020

Tim Klima
Airline Coordinator
Transportation Department IAMAW

Mike Mayes
Administrative Vice President
Transport Workers Union of America

Payroll System Transition Agreement

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

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

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

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

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

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

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

Sincerely,

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

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

Agreed to:

/s/ Tim Klima
Airline Coordinator
Transportation Department IAMAW

/s/ Mike Mayes
Administrative Vice President
Transport Workers Union

LETTERS OF MEMORANDUM