

JOINT COLLECTIVE BARGAINING AGREEMENT (JCBA)

between

AMERICAN AIRLINES, INC.

and

THE AIRLINE PILOTS

in the service of

AMERICAN AIRLINES, INC.

and

US AIRWAYS, INC.

as represented by the

ALLIED PILOTS ASSOCIATION

EFFECTIVE: JANUARY 30, 2015

JCBA Revision Summary

Change bars in this document represent changes from the Merger Transition Agreement.

We welcome feedback from pilots. If an error, incorrect cross reference, dead hyperlink or other error is found, or if you have a suggestion for improvement to the publication, please send your feedback to contractfeedback@alliedpilots.org. ***This email will be sent to APA and American Airlines.***

The table below lists the areas of substantive changes in this revision as compared to the JCBA initial publication of January 31, 2015.

Section 12	Amended Section 12.C (Tulsa Flight Test).
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AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC. and US AIRWAYS, INC.
as represented by the
ALLIED PILOTS ASSOCIATION
Effective: January 30, 2015

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC., hereinafter known as the "Company", and the air line pilots in the service of AMERICAN AIRLINES INC. and US AIRWAYS, INC. as represented by the ALLIED PILOTS ASSOCIATION, hereinafter known as the "Association".

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

It is hereby mutually agreed:

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Single vertical line in the body of this Agreement indicates a change from the MTA, revision 1.

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SECTION 1

RECOGNITION AND SCOPE

A. Recognition

The Allied Pilots Association has shown satisfactory proof that it represents more than a majority of the airline pilots of American Airlines, Inc., and further, has been certified by the National Mediation Board.

B. Definitions

1. Affiliate

The term "Affiliate" refers to (a) any entity that Controls the Company or any entity that the Company Controls, and/or (b) any other corporate subsidiary, parent, or entity Controlled by or that Controls any entity referred to in (a) above.

2. Agreement

The term "Agreement" means this agreement between the Association and the Company and all supplements and letters of agreement between the Association and the Company.

3. Air Carrier

The term "Air Carrier" means any common carrier by air.

4. Aircraft in Service

"Aircraft in Service" is defined as an aircraft available for revenue service for the Company (not to include any aircraft in storage) or in maintenance for the purpose of return to revenue service for the Company.

5. Air Freight Feed Operation

The term "Air Freight Feed Operation" means a freight operation conducted with non-turbojet aircraft whose primary purpose is to "feed" the Company's aircraft.

6. Commuter Air Carrier

The term "Commuter Air Carrier" refers to any Air Carrier utilizing only Commuter Aircraft.

7. Commuter Aircraft

The term "Commuter Aircraft" means aircraft (jet or turboprop) that (a) have a maximum of seventy-six (76) seats (as operated for the Company) and (b) are not certificated in the United States with a maximum gross takeoff weight (MTOW) of more than 86,000 pounds. If an aircraft otherwise meeting the conditions in the preceding sentence is being operated for the Company and is recertified in the United States with a MTOW of greater than 86,000, said aircraft shall remain a Commuter Aircraft so long as it continues to operate for the Company at a MTOW of no more than 86,000 pounds. The existing seventy-six (76) CRJ 900 and E175 aircraft operated on behalf of US Airways, Inc. as of January 7, 2013, are grandfathered as to the seat limitation, and they and their replacements may be operated with seventy-nine (79) and eighty (80) seats, respectively.

8. Company

For purposes of this Section 1, the term "Company" shall include American Airlines, Inc. and US Airways, Inc., and each of their respective operations prior to the complete operational merger of the two airlines.

9. Comprehensive Marketing Agreement

The term "Comprehensive Marketing Agreement" means an arrangement between the Company or an Affiliate and a Domestic New Entrant Air Carrier that is not a Commuter Air Carrier that contains at least the following elements:

- a. AAdvantage or any other Company frequent flyer program;
- b. joint marketing arrangements (other than AAdvantage type arrangements); and,

- c. the lease or transfer of gates from the Company or a U.S. Affiliate to the Domestic New Entrant Carrier.

10. Control

The term "Control" shall have the same meaning as the term had in Arbitrator Stephen Goldberg's decision in the Canadian Arbitration Case No. 12-93 (April 25, 1994).

11. Domestic Air Carrier

The term "Domestic Air Carrier" refers to any Air Carrier that is a citizen of the United States within the meaning of 49 U.S.C. § 40102(a)(15), as that statute defines citizenship on the effective date of this Agreement.

12. Domestic Commuter Air Carrier

The term "Domestic Commuter Air Carrier" refers to any Commuter Air Carrier that is a citizen of the United States within the meaning of 49 U.S.C. § 40102(a)(15), as that statute defines citizenship on the effective date of this Agreement.

13. Domestic New Entrant Air Carrier

The term "Domestic New Entrant Air Carrier" means a Domestic Air Carrier that has entered the passenger air transportation market since deregulation, either initially or through ceasing operations and then re-entering the market.

14. Fixed Base Operator Flying

The term "Fixed Base Operator Flying" means flying activities in aircraft having a maximum passenger capacity of 30 seats and a maximum payload capacity of 7,500 pounds.

15. Foreign Carrier

The term "Foreign Carrier" means an Air Carrier other than a Domestic Air Carrier.

16. International Flying

The term "International Flying" means scheduled flying by the Company that includes a scheduled landing or departure outside the 48 contiguous states. This definition is solely for the purposes of the exception for International Codesharing and the conditions on that exception in Section 1.J.

17. Livery

The term "Livery" means, separately or in any combination, an air carrier's name, its logo, and the paint scheme and /or the tailfin scheme on its aircraft.

18. Major Foreign Carrier

The term "Major Foreign Carrier" means a Foreign Carrier that has had more than \$1 billion US, or its equivalent, in annual revenues during its most recent fiscal year.

19. Narrowbody Aircraft

"Narrowbody Aircraft" means an A319, A320, A321, B-737, B-757, MD-80, or B-717 aircraft, or any other single aisle aircraft with more than seventy-six (76) seats (as operated).

20. Successor

The term "Successor" shall include, without limitation, any assignee, purchaser, transferee, administrator, receiver, executor, and/or trustee of the Company or of all or substantially all of the equity securities and/or assets of the Company.

21. Successorship Transaction

The term "Successorship Transaction" means any transaction, whether single step or multi-step, that provides for, results in, or creates a Successor.

22. Transborder Flying

The term "Transborder Flying" means flying scheduled by the Company on US-Canada transborder routes.

23. WACC

The term "WACC" refers to American Airlines Group, Inc.'s weighted average cost of capital as described in the letter agreement between the Association and the Company dated May 1, 2003.

C. SCOPE

1. General.

All flying performed by or on behalf of the Company or an Affiliate shall be performed by pilots on the American Airlines Pilots Seniority List in accordance with the terms and conditions of this Agreement, except as expressly permitted in [Section 1. D.](#) through L below and in the MTA Scope Supplement.

a. Company Flying. Such flying shall include without limitation all passenger flying, cargo or freight flying, and ferry flying, whether scheduled or unscheduled, revenue or non-revenue:

- (1) performed on aircraft owned and operated by or on behalf of the Company or an Affiliate, leased to and operated by or on behalf of the Company or an Affiliate, or operated by the Company or an Affiliate, or
- (2) conducted by any other Air Carrier which the Company has permitted to utilize the Company's present or future designator code, trade name or Livery for the other Air Carrier's flight operations except as expressly permitted in Section 1.D. - L. below, and provided that the portion of this provision referring to trade names will apply only to Company trade names used to describe the Company's flight operations and not trade names such as "AAdvantage."

b. Prohibited Transactions.

Neither the Company nor an Affiliate shall, without the Association's prior written consent, enter into any transaction, agreement, or arrangement, except as expressly permitted in Section 1.[D.](#) through L. below, that permits or provides for:

- (1) any form of contracting out or subcontracting out of any Company flying covered by subsection [C.1.](#), or any wetleasing from an entity or any chartering of such flying from an entity; or
- (2) a Comprehensive Marketing Agreement with a Domestic New Entrant Carrier other than a Domestic Air Carrier with which the Company has implemented a codeshare agreement under Section 1.G.

Nothing in this provision [C.1.b.](#) shall be construed to permit any other transaction that would violate this provision [C.1.](#)

2. Training.

All flight training of Company pilots in Company aircraft shall be performed by Company pilots, subject to the provisions of the MTA Scope Supplement.

3. Interline Agreements

Nothing in this Section 1 shall be construed to limit the Company or an Affiliate's ability to enter into interline agreements with other Air Carriers.

4. Frequent Flyer Programs.

Nothing in this Section 1 shall be construed to limit the Company or an Affiliate's ability to enter into agreements or arrangements with other Air Carriers involving frequent flyer miles, promotions, awards or other frequent flyer arrangements that are not part of a Comprehensive Marketing Agreement.

5. Captions.

The captions to provisions in this Section 1 are not substantive and should not be considered in construing the meaning of any provision, provided that the Company and the Association do not intend thereby to create an implication as to other captions in this Agreement.

D. Scope Exception: Commuter Air Carriers and Commuter Aircraft at Non-owned Air Carriers

1. Commuter Air Carriers, Non-owned Air Carriers that operate Commuter Aircraft, and Section 1 Limitations.
 - a. The Company or an Affiliate may create, acquire, maintain an equity position in, enter into franchise type agreements with, and/or codeshare with a Commuter Air Carrier, and flying by any such Commuter Air Carrier shall not be subject to the limitations of [Section C.1](#) above, so long as any such Commuter Air Carrier operates in accordance with the limitations set forth in this [Section 1.D](#).
 - b. The Company may codeshare with and/or enter into franchise type agreements with non-owned Air Carriers that operate both (1) [Commuter Aircraft](#) and (2) aircraft that are not Commuter Aircraft with respect to Commuter Aircraft operated by such non-owned Air Carriers and so long as any such Commuter Aircraft are operated in accordance with the limitations set forth in this Section 1.D.
 - c. The term "franchise type agreement" includes any agreement or arrangement with an Air Carrier that permits (1) that Air Carrier to use on Commuter Aircraft the Company name, trademarks, trade name, logo, livery (as provided in Section 1.F.1) and/or service marks and/or (2) other joint marketing actions permitted as a matter of past practice under the "franchise type agreements" provision of Section 1.D.1.a and including linked frequent flyer programs.
2. Purpose; Intent of the Parties.
 - a. Primary Purpose.

The primary purpose of a Commuter Air Carrier is either to provide passenger and/or cargo revenue feed to Company flights and/or to enhance the Company's overall market presence.
 - b. Role of Commuter Air Carriers in Company's Development.

The parties recognize that Commuter Air Carriers have played a role in the development of the Company as the world's premier airline. Additionally, the Company and the Association acknowledge that the passenger feed provided to the Company's domestic and international system strengthens the Company, thereby providing enhanced career opportunities to Company pilots.
 - c. Markets in Which the Company Cannot Earn an Adequate Return on Invested Capital

The Company will operate Company service in markets where such service can earn an adequate return on invested capital. This provision will not require the Company to operate a particular service, but instead, if the Company could operate a service and earn an adequate return on invested capital, the Company may not place or maintain the Company code on such service under Section 1.D. Notwithstanding this prohibition, if the Company orders additional aircraft to fly such a route, the Company may place or maintain its code on the route or frequency during the time between order and delivery of the additional aircraft. Similarly, if the Company is procuring an airport slot, gate and/or other route authority to fly such a route, the Company may place or maintain its code on the route or frequency during the time required to procure such a slot and/or authority.
 - d. Parties to Meet in the Event of Problems.

It is not the intent of either the Company or the Association to limit the expansion of Commuter Air Carriers in developing new markets. If at any time it is determined that these provisions are impeding the ability of Commuter Air Carriers to fulfill their primary role in support of the Company's system, the parties agree to promptly meet and discuss appropriate modifications to this Agreement.
3. Cockpit Crewmember Floor.

In the event that the number of cockpit crewmembers employed by the Company on the American Airlines Pilots Seniority List goes below 7300, the parties agree that the commuter exception contained in this [Section D](#) shall be terminable at the option of APA following a 90-day period to provide an opportunity for discussion. If APA elects to require termination of the commuter exception, the Company shall thereafter have a reasonable time to complete the

disposition of the operations covered by this Section D. during which period the parties shall meet in good faith and discuss the issues related to such termination. Pilots added to the American Airlines Pilots Seniority List by way of seniority merger shall not count in calculating the number of cockpit crewmembers for purposes of this paragraph 3.

4. Limitations on Commuter Carriers.

a. Aircraft Limit.

For each six month period, starting 7/1/2012, the total number of aircraft with greater than thirty (30) seats (as operated) that may be operated under this [Section D.](#) may not exceed a limit, based on Narrowbody Aircraft operated during that period as provided in c. below. Aircraft shall be counted toward that limit as provided in d. below.

b. Counting Narrowbody Aircraft.

Effective each January 1 and July 1, the total number of Narrowbody Aircraft that are Aircraft in Service, shall be tallied for purposes of determining the applicable limit on the number of aircraft that are allowed to be operated with greater than thirty (30) seats pursuant to this [Section D.](#) For the purpose of this tally of Narrowbody Aircraft that are Aircraft in Service, the "total number of aircraft" being operated by the Company for the six month period shall be the straight average of the number of aircraft in service at the Company on the fifteenth calendar day of each of the previous six months. If any six-month tally involves a fractional aircraft unit, the fractional unit will be rounded down if less than .5, and otherwise rounded up.

(1) Force Majeure.

In the event that the Company's planned aircraft deliveries do not take place as scheduled due to conditions beyond the Company's control, then for 12 months from the scheduled delivery date, so long as the scheduled deliveries remain firm orders to be delivered as soon as circumstances permit, the aircraft shall be counted as though they had been timely delivered.

If the Company is unable to operate Company aircraft due to conditions beyond the Company's control, then the Company may count such aircraft as in operation for purposes of this Section b.(1) for three months from the date such aircraft go out of operation, or such longer period as necessary, not to exceed fifteen months, if the Company is taking all practicable steps to restore operations, including by repairing or replacing the affected aircraft.

"Conditions beyond the Company's control" shall include, but not be limited to, the following: (1) an act of God, (2) a strike by any other Company employee group or by the employees of a Commuter Air Carrier operating pursuant to Section 1.D., (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, (7) the unavailability of aircraft scheduled for delivery.

c. Determining the Maximum Number of Aircraft that may be Operated under Section 1.D..

(1) The number of regional/small jets with greater than thirty (30) seats (as operated) up to and including sixty five (65) seats (as operated) plus the number of regional/small jets operated under clause (2) below that may be operated under Section 1.D. shall not exceed seventy-five percent (75%) of the number of the Company's Narrowbody Aircraft that are Aircraft in Service.

(2) The number of such regional/small jets with greater than sixty-five (65) seats (as operated) up to and including seventy-six (76) seats (as operated) that may be operated under Section 1.D. shall not exceed the following percentages of the number of the Company's Narrowbody Aircraft that are Aircraft in Service in the calendar years indicated:

- | | |
|-----------------|-----|
| (a) 2013 - 2014 | 30% |
| (b) 2015 | 35% |

(c) 2016 & beyond 40%

- (3) In determining the number of regional/small jets that may be operated under this Section 1.D. under clauses (1) and (2) above, turboprop aircraft with fifty (50) or more seats operated under this Section 1.D. shall be counted as though they were regional/small jets; turboprop aircraft with fewer than fifty (50) seats shall not be counted as regional/small jets, provided that the number of turboprop aircraft with fewer than fifty (50) seats operated under this Section 1.D. shall not exceed ten (10) percent of the number of the Company's Narrowbody Aircraft that are Aircraft in Service.
- (4) The Company shall provide the Association with a list of tail numbers and seating configurations for aircraft operating on behalf of the Company with greater than thirty (30) seats (as operated) up to and including seventy-six (76) seats (as operated) as of January 1, 2013 and at each Quarterly Scope meeting. For each such aircraft operated on behalf of the Company, the Company shall provide the Association with a complete list of the operations flown by the aircraft on each day of each six month period, including flight numbers and city pairs.

d. Counting Aircraft Operated Under Section 1.D.

- (1) Effective each January 1 and July 1, aircraft operated pursuant to this Section D. for the previous six month period shall be counted toward the aircraft limit in c above as follows for each Air Carrier on which such flying occurred during that period. .
- (2) If the Air Carrier operates a portion of its allowed flights as American Connection or similarly dedicated operation the Commuter Aircraft in the dedicated portion of the operation shall be counted on a 1 for 1 basis.
- (3) Allowed Commuter Aircraft flown as substitutes for any dedicated aircraft for mechanical or service reasons shall not be counted as long as both the dedicated and substitute aircraft do not fly in passenger service under the Company code simultaneously. If both aircraft do fly simultaneously, the substitute aircraft shall be counted pursuant to (4) below.
- (4) Other Commuter Aircraft flown under the Company code for only a portion of any six month period shall be counted as follows:

First, take the number of days in which each Commuter Aircraft was flown with passengers on the Company's code under Section 1.D. as a proportion of the total number of days flown by that aircraft in the six month period.

Second, add that proportion for each aircraft to the proportions of all Commuter Aircraft that are flown under the Company code for only a portion of any six month period. After adding, fractional units shall be rounded up to the nearest whole number.

Thus, for example, if five aircraft each spend 50% of the days in a six month period (e.g., 91 out of 182 days) flying at least one flight under the Company code per day, the total shall be 2.5 aircraft, which will be rounded up to 3. Three (3) aircraft shall then be counted toward the overall limit for aircraft operated under Section 1.D. for that six month period.

e. Penalty for Excess Section 1.D. Operations.

If, for any six month period, the total number of aircraft operated under this [Section 1.D.](#), counted as provided in d. above, exceeds the number permitted under provision c. above, then the number of aircraft that Air Carriers would otherwise have been permitted to operate during the subsequent six month period shall be reduced by twice the number of such excess aircraft. Moreover, during that subsequent six month period, the Company shall be required to stay within the aircraft limit as calculated on the first day of each month in the period for the previous months in the period. If the Company does not comply during any month of this subsequent six-month period, the Association shall have all available remedies. Nothing herein limits the right of either party to bring a grievance on an expedited basis before the System Board about any dispute regarding compliance with Section 1.D. at any time.

f. Limitations on Aircraft Types in Commuter Air Carriers' Fleets.

No aircraft type in the Company's fleet, or inactive aircraft type previously in the Company's fleet and still under the Company's control, and no orders or options for a Company aircraft type shall be transferred to or operated by a Commuter Air Carrier operated under this [Section D](#).

g. Limits on Certain Non-Stop Flying

- (1) Beginning with the calendar quarter starting July 1, 2012, and for each calendar quarter thereafter, flying under Section 1.D shall be subject to the following limit on nonstop scheduled service between DFW, ORD, MIA, JFK, and LAX. The combined scheduled block hours of such service shall not exceed 1.25% of the Company's total scheduled block hours, unless the Association consents. If the number of departures scheduled by the Company at any other airport exceeds an average of one hundred (100) per day over a six (6) month period, such airport shall be added to the above list, for as long as the average number of departures at such airport remains above one hundred (100) per day for the previous six (6) months.
- (2) In determining whether DCA, LGA and/or BOS should be added to the list of airports pursuant to the above Section 1.D.4.g.(1), scheduled departures for flights between DCA, LGA and BOS that are marketed as "Shuttle" flights shall not be counted towards the one hundred (100) departures per day threshold. However, scheduled departures for flights between DCA, LGA and BOS that are not marketed as "Shuttle" flights shall be counted toward the threshold. If DCA, LGA or BOS reach the one hundred (100) departures per day threshold, the scheduled block hours for flights between DCA, LGA and BOS that are marketed as "Shuttle" flights shall not be counted towards the 1.25% limit.
- (3) As of December 9, 2013, one hundred (100) per cent of flights between DCA, LGA and BOS that are marketed by the Company as "Shuttle" flights shall be operated by the Company. Once the provisions of Paragraph 12 of the MTA Scope Supplement are no longer in effect, at least sixty-five (65) percent of flights between DCA, LGA and BOS that are operated by or on the Company's behalf as "Shuttle" flights on weekdays and Sunday, combined, shall be operated by the Company. The mainline percentage of "Shuttle" flights shall be measured on a twelve (12) month rolling average basis, aggregating the "Shuttle" flights between DCA, LGA, and BOS.

h. Hubs and Major Airport Departures.

Beginning with the calendar quarter starting July 1, 2012, and for each calendar quarter thereafter, 85% of departures by turbojet aircraft operated under Section 1.D. and turboprop aircraft counted under section 1.D.4.c.(3) shall be into or out of the following hubs and major airports: DFW, ORD, MIA, LAX, and JFK. If the number of departures scheduled by the Company at any other airport exceeds an average of one hundred (100) per day over a six (6) month period, such airport shall be added to the above list, for as long as the average number of departures at such airport remains above one hundred (100) per day for the previous six (6) months. Departures utilizing commuter slots at slot controlled airports other than those listed above (e.g., DCA) and departures from airports limited to commuter departures by other governmental or aircraft operational restrictions (e.g., SAF), shall not be covered by this provision h.

5. Preference in Hiring.

If pilots of the Company are on furlough, such pilots shall be given preference in the filling of vacancies on Air Carriers operated under Section 1.D. that are Affiliates. The Company shall also attempt to secure preference for such pilots for vacancies occurring at Air Carriers in which the Company or an Affiliate owns a minority equity interest and at independently owned Air Carriers that have franchise-type agreements or other codesharing relationships with the Company or an Affiliate.

6. Information Sharing.

a. Review of Changes to Flying Under Section 1.D..

The Association shall identify individuals to work with the Company's schedule planning department to review contemplated changes in flying under Section 1.D. on routes where passengers will be carried on behalf of the Company. The Association agrees to treat the information provided by the Company pursuant to this provision as confidential.

b. Quarterly Data Review.

On a quarterly basis beginning September 1, 1997, the Company shall review with the Association data that reflects the results of any decisions to substitute flying by Air Carriers operated under this [Section 1.D.](#) for the Company's flying and shall review routes, if any, operated by Air Carriers under Section 1.D on behalf of the Company that could be flown by the Company and earn an adequate return on invested capital. The Company shall also procure and share with the Association the data necessary to verify the limits set forth in this [Section D.](#)

c. New Codesharing/Ownership Arrangements.

The Company shall discuss with the Association any plans to enter into new codesharing or ownership arrangements with any Air Carrier under Section 1.D. prior to the implementation of such arrangements.

7. Foreign Commuter Air Carrier.

A Commuter Air Carrier that engages in flying only between points outside the United States, its territories or possessions shall not be subject to the limitations set forth in Section D.4.-7.

8. Prohibition on Training.

Neither the Company nor an Affiliate shall provide flight training to any pilot on the seniority list of any Air Carrier that operates under Section 1.D. on any aircraft type owned or operated by the Company.

E. Scope Exception: Fixed Based Operators

The Association recognizes the Company's desire to engage in fixed base operations. Where such operations include Fixed Base Operator Flying, the Association agrees that the provisions of [Section 1.C.](#) above shall not apply to such flying as long as it does not supplant the Company's flying and is not utilized in airline service which is offered for sale to the general public through such devices as the Official Airline Guide and airline industry computerized reservations systems.

F. Scope Exception: Livery / Paint Scheme

1. Regional aircraft operated in compliance with [Section 1.D.](#) may carry the Company's livery, provided that such aircraft bear the name "American Connection" or "American Eagle" or a similar name connoting a connection with American Airlines (or other name used by the Company).
2. Company aircraft may operate using the livery of a multi-airline alliance, such as the oneworld alliance, provided that the livery on Company mainline aircraft is not identical to any other airline's livery and provided further that any Company mainline aircraft operated using the livery of a multi-airline alliance includes a clear indication that it is operated by "American Airlines" (or other name used by the Company), such as an AA tailfin scheme.
3. The Company shall not give permission for other airlines in a multi-airline alliance, such as the oneworld alliance, to use elements of the Company's livery (such as tailfin scheme or the name "American Airlines") as part of any multi-airline alliance livery, unless: (1) the livery element is used in conjunction with other alliance members' liveries as a depiction of the members within the alliance and includes a clear indication of which airline operates the aircraft and the aircraft livery creates no reasonable basis for customer confusion that any aircraft is operated by the Company, and (2) the Association has been given advance notice and graphics of the proposed livery for review and comment.

G. Scope Exception: Codesharing with Domestic Air Carriers

1. The Company may enter into and maintain codeshare agreements with Domestic Air Carriers under the following conditions:
 - a. American Airlines, Inc. - US Airways, Inc. codesharing
American Airlines, Inc. and its successor may place the AA designator code on flights operated by US Airways, Inc. and its successor, and US Airways, Inc. and its successor may place the US designator code on flights operated by American Airlines, Inc. and its

successor. The restrictions in Section 1.G.2 below shall not be applicable to such codeshare flying.

b. Alaska Airlines

- (1) The Company may engage in unrestricted codesharing with Alaska Airlines (AS), except that the Company's current or future designator code may not be placed on AS code flights between Hawaii and each of DFW, LAX, SAN and ORD.
- (2) If the Company is unable to conclude and/or maintain a codeshare agreement or agreements with Alaska, an equivalent number of ASMs available for codeshare on Alaska under (1) above will be added under Paragraph 1.G.2.a. below, subject to the same conditions with respect to flights between Hawaii and each of DFW, LAX, SAN and ORD covered by Section 1.G.1.a.(1).

c. Hawaiian Inter-Island

- (1) The Company or its successor may codeshare with Hawaiian Airlines (or its successor) without restriction on flights operating wholly within the Hawaiian Islands, so long as the Company or its successor operates a minimum average of ten (10) flights per day between the mainland and Hawaii measured on a rolling look-back period of twelve (12) months.
- (2) Alternatively to Hawaiian Airlines (or its successor), the Company may place its current or future designator code on flights operating wholly within the Hawaiian Islands provided that the Air Carrier (or its parent) upon which the code is placed is not an Affiliate (other than a Commuter Air Carrier) of the Company, or categorized as a "Group III" Air Carrier by the U.S. Department of Transportation. Further, if any such Air Carrier upon which the code is placed also operates between Hawaii and the U.S. mainland, and if the Company or its successor operates fewer than 10 daily frequencies between the contiguous 48 states and Hawaii, the Association shall have the right to withdraw its consent to codesharing with such Air Carrier under this provision.
- (3) On a quarterly basis, the Company will inform the Association of the number of daily frequencies the Company is operating between Hawaii and the U.S. mainland.

2. Limitation on Codesharing with Domestic Carriers

The Company may also enter codesharing relationships with other Domestic Air Carriers, and through such agreements with Domestic Air Carriers their regional partners, under this section, subject to the following limitations:

a. ASM Cap

The total monthly ASMs of flights with all such Domestic Air Carriers on which the Company places its current or future designator code during any twelve month period (excluding any placement of the Company's current or future designator code under Sections 1.G.1.a. - c.) shall not exceed fifteen percent (15%) of domestic Company mainline scheduled monthly ASMs during the same rolling twelve (12) months.

b. Hub to Hub Flying

The Company may not codeshare on flying by a Domestic Air Carrier on flights between Company Hubs (as specified in Section 1.D.4.h.), except for flying between a Company Hub and a Domestic Air Carrier's hubs as permitted under Section 1.G.2.c.

c. Company Hub to Domestic Air Carrier Hub Flying

The Company shall be permitted to place its current or future designator code on flights between a Company Hub and a Hub of another Domestic Air Carrier (the "Codeshare Partner") under this Section 1.G.2. For each city pair meeting this description and each Codeshare Partner under Section 1.G.2, the "City Pair ASM Ratio" will be defined as the ratio between (x) the ASMs of scheduled mainline flying by the Company on such city pair and (y) the ASMs of scheduled flying by the Codeshare Partner on which the Company places its current or future designator code on such city pair.

For any twelve full calendar months after the date on which codesharing on a city pair begins with a Codeshare Partner under Section 1.G.2., the City Pair ASM Ratio will not be less than 80% of the ratio between (x) the ASMs of scheduled mainline flying by the

Company on such city pair and (y) the ASMs of scheduled flying by the Codeshare Partner on such city pair in each case during the twelve (12) full calendar months immediately prior to the date on which codesharing on such city pair began, or, if the Company placed its designator code on flights of such Codeshare Partner on such city pair on January 1, 2013, during the twelve (12) full calendar months immediately prior to January 1, 2013; provided however, that the restriction in this subsection c. shall not apply to any city pair on which the Company had no scheduled mainline flying during the twelve (12) full calendar months preceding the date on which codesharing on such city pair began.

For the purposes of this Section 1.G.2.c., a "Hub" of an air carrier other than the Company means an airport from which the air carrier, during the six (6) consecutive full calendar months prior to the month for which a measurement is being made, scheduled an average of eighty (80) or more daily departures on its mainline jet aircraft.

d. Reciprocity

In negotiating codesharing agreements with other Domestic Air Carrier, the Company shall use its reasonable efforts to obtain an agreement for reciprocal codesharing, provided however, that reciprocity shall not be a requirement for concluding a codesharing agreement.

H. Scope Exception: Air Freight Feed Operations and Excess Baggage

1. Notwithstanding Section 1.C. above, it is agreed that the Company shall have the right to contract for Air Freight Feed Operations as defined in Section 1.B., above, or to operate such feeders by means of a subsidiary, affiliate, or a division of the Company, or both. If the Company contracts for such operation, and if any Company pilots are on furlough during the performance of such operation, the Company will recall that number of pilots which equals the minimum number of pilots who would be required to perform the operation if the Company, utilizing the same type of aircraft as are actually utilized on the date of commencement of each such operation, performed the operation itself under the terms of this Agreement. The recall of furloughed pilots shall proceed in the manner stated in this Agreement. In the event the Company operates any such Air Freight Feed Operation itself, the rules of this Agreement shall apply.
2. Excess baggage
 - a. The Company will be permitted to utilize other airline freighter service, whether scheduled or chartered, from MIA and JFK to any destination in the Caribbean, Central America, and South America, or from such a destination to MIA and JFK, between November 23 and January 6, and during four (4) additional weeks each year designated by the Company, and which must include the Easter/Spring break season and/or the month of July. These four additional weeks will be designated by the Company no later than January 15 of each year. The purpose of this Scope Clause exception to Section 1.C.1. is to enable the Company to accommodate passenger baggage that cannot be accommodated on the same flight as the passenger.
 - b. There will be no apportionment pay for using such services.
 - c. The Association will be able to audit baggage activity up to 5 times per year, on a schedule agreed by the Scope Committee. At the time of each audit, the Company shall provide the Association with access to all relevant information, facilities, personnel and documentation. The Company will provide a quarterly report to the Association about when and where charter services were used, and how many bags were transported. The Company will conduct an annual joint performance review in the first quarter of each year at the request of the Association.

I. Joint Ventures

1. The parties agree to work toward a fair allocation of flying for the Company in Joint Business Agreements ("JBAs"). The Association has the right to review JBAs and any material changes going forward. During the parties' Quarterly Scope meetings, the Company will discuss and receive input from the Association regarding current and anticipated JBAs.

J. Scope Exception: Transborder

The Company may place its current or future designator code on flights by Canadian Air Carriers as set forth below:

1. Codesharing to Third Countries.

Codesharing agreements allowing Canadian Air Carriers to carry the Company's code between Canada and a third country must meet the following conditions:

a. Opportunities to Earn WACC.

The Company shall always deploy its own aircraft on any international route for which it can obtain authority, so long as that route will earn a return on invested capital at least equal to WACC. The Company shall not use Canadian Air Carriers' flights to third countries as a substitute for opportunities to operate its own international flights from U.S. gateways, provided such Company flights will earn a return on invested capital at least equal to WACC.

b. Review of Third Country Traffic Flows.

On September 1, 1997 and every six months thereafter, the Company shall review with the Association the flows of international passengers traveling to third countries on the Company's code on Canadian Air Carriers' flights and on Canadian Air Carriers' codes on the Company's flights. This review shall identify any incremental international operations that meet the criteria in provision 1.a. above. It shall include an evaluation of the size of aircraft and frequency of operations potentially available for the Company. This review shall also assure that the Company is accruing benefits from the traffic carried on its code on Canadian Air Carriers' flights.

c. Review of Traffic Flows Exceeding Certain Numbers of Passengers on Company Code.

If, for any period of six consecutive months, Canadian Air Carriers carry more than an average of 50 passengers per flight per day on the Company's code or more than an average of 500 passengers per flight per week on the Company's code, the Company and the Association shall promptly conduct a review as described in 1.b. above to determine whether any opportunity exists to carry that traffic from a U.S. gateway on a Company flight that will earn a return on invested capital at least equal to WACC, assuming that the Company can obtain authority for the operation. Nothing in these provisions 1.a.- c. shall be construed to require the Company to operate a particular route or routes.

d. Maximizing Use of Canadian Air Carriers' Codes.

The Company shall attempt to maximize Canadian Air Carrier codesharing on the Company's flights to third country destinations.

2. Ability to Reopen.

In the event of a change in regulation, law, or industry practice with respect to codesharing, either party retains the right to reopen on this issue of codesharing with a Canadian Air Carrier.

K. Scope Exception: Other International Codesharing

The Company may place or maintain its current or future designator code on flights by Foreign Carriers under the following conditions:

1. General Principles

a. Importance of International Codesharing.

The Company and the Association agree that codesharing with Foreign Carriers has become an important element of international competition and that it is in the Company's interest to enter into codesharing agreements with such carriers when those agreements strengthen the Company's international and domestic route networks.

b. Purpose of Codesharing.

The purpose of codesharing is to provide feed to the Company's route system and/or establish, maintain, or acquire market presence.

2. Other Airline Codes on Company Flights.

The Association endorses the maximum use of other airline codes on Company flights. In negotiating codesharing agreements with Foreign Carriers, the Company shall attempt to maximize opportunities to use its own aircraft and personnel.

3. Baseline for International Flying.

A Baseline for International Flying shall be calculated for each year as described below:

- a. Effective January 1, 2014, the Baseline for International Flying shall be 1,138,159 block hours [the number of international block hours scheduled during January 1, 2013 through December 31, 2013 by the Company (i.e., by US Airways, Inc. and American Airlines, Inc. combined)].
- b. International Baseline for January 1, 2015 and Beyond.

Effective January 1, 2015, and each January 1 thereafter, the International Baseline for the following year shall be calculated as follows:

- (1) The International Baseline for the previous year shall be adjusted upward by the total block hours of International Flying scheduled by the Company during that year in excess of the previous year's International Baseline, except that the block hours attributable to new routes that have not been flown three consecutive years or more, on either a year round or seasonal basis, shall not be added to the Baseline. Thus, for example, if the January 1, 2014 International Baseline is 1,138,159 and the total block hours for International Flying scheduled during the following twelve (12) months is 1,138,159 + 1000, but 25 of those block hours are attributable to a new route begun that year, then the January 1, 2015 International Baseline shall be 1,138,159 + (1000-25). If the new route is still being flown during the year January 1, 2017 to January 1, 2018, then all those block hours attributable to flying between the third anniversary of the initiation of the flight and January 1, 2018 shall be added to the baseline for January 1, 2018. If the route is still being flown during the year January 1, 2018 to January 1, 2019, then all the block hours attributable to the flight that year not previously added to the baseline in the preceding year shall be added to the baseline for January 1, 2019.
- (2) The International Baseline for the previous year shall carry forward and remain the same if the amount of block hours scheduled by the Company during the previous 12 month period for International Flying, as adjusted for new flying as described in the foregoing paragraph, is less than or equal to the International Baseline for that year.

4. International Flying Below 90% and/or 80% of the Baseline in 2014 and Beyond.

On January 1, 2015 and on January 1 of each year thereafter, the International Baseline as calculated on the preceding January 1 shall be compared to the total block hours of International Flying scheduled by the Company during the preceding 12 months.

- a. If the Company's scheduled International Flying is below 90% of the previous year's International Baseline, the Company shall have until the succeeding January 1 to cure that deficiency by increasing total scheduled block hours of International Flying to the level that would have met that 90% threshold. If the Company's scheduled International Flying during that additional 12 months does not increase to this required level, then the Association's concurrence shall be required for the Company to enter into new international codesharing agreements whether to place the Company's code on a Foreign Carrier's flights or to carry a Foreign Carrier's code on a Company flight.
- b. If the Company's scheduled International Flying is below 80% of the previous year's International Baseline, the Company shall have until the succeeding January 1 to cure that deficiency by increasing total block hours back to the level that would have been required to meet that 80% threshold. If the Company's scheduled International Flying during that additional 12 months does not increase to this required level, then the Association's concurrence shall be required for renewal or continuation of all codesharing agreements whether to place the Company's code on a Foreign Carrier's flights or to carry a Foreign Carrier's code on a Company flight, with the exception of those specifically listed below:

Qantas (on AA 10/23/89; by AA 11/15/94)

British Midland (11/1/93)

Gulf Air (transatlantic 7/1/94; UK-Middle East 1/1/94)

5. Opportunities to Earn Adequate Return on Invested Capital.

a. General.

The Association and the Company agree that the Company shall continue to seek international route authority and pursue all opportunities for deploying its aircraft assets on international routes where it will earn an adequate return on invested capital.

b. Review of International Codeshare Traffic.

On January 1, 2013 and every six months thereafter, the Company shall review with the Association the flows of international codeshare passengers traveling on the Company's code on Foreign Carrier flights and on Foreign Carrier codes on the Company's flights. This review shall identify any incremental international operations that meet the criteria in provision 5.a. above. It shall include an evaluation of the size of aircraft and frequency of operations potentially available for the Company. This review shall also assure that the Company is accruing benefits from the traffic carried on its code on Foreign Carrier flights.

c. No Codesharing on Routes That Could Earn Adequate Return on Invested Capital.

The Company shall not, without the Association's consent, place or maintain its code on any international route or frequency operated by a Foreign Carrier, on which the Company could earn an adequate return on invested capital. This analysis shall be performed using the same method to analyze route profitability that the Company then uses internally for route planning. Notwithstanding this prohibition, if the Company orders additional aircraft to fly such an international route, the Company may place or maintain its code on the route or frequency during the time between order and delivery of the additional aircraft. Similarly, if the Company is procuring an airport slot, gate and/or other route authority to fly such a route, the Company may place or maintain its code on the route or frequency during the time required to procure such a slot and/or authority. Nothing in this provision 5 shall be construed to require the Company to operate a particular route or routes.

6. Cabotage.

If any Foreign Carrier obtains the right to transport local passenger or cargo traffic between airports within the United States or its territories, the Company shall not allow its code to be used on flights carrying such traffic and shall not carry that Foreign Carrier's code on flights between airports within the United States or its territories.

7. Leaving Company Code in a Market.

The Company shall not reduce flying in a market and subsequently maintain or place its code on Foreign Carrier service in that market without the Association's concurrence unless:

a. The route is covered under a Joint Business Agreement; or

b. The reduction is temporary, based on seasonality, and such flying will be reinstated; or

c. all of the following three conditions are met:

(1) the Foreign Carrier is a Major Foreign Carrier; and

(2) The route/flight failed to earn an adequate return on invested capital over the preceding three (3) months or, if the flying has not continued for three (3) months, then over such shorter period as the flying has actually continued; and

(3) either there will be no decrease in the Company's total international block hours, as measured on the next January 1 for the preceding calendar year, or there will be a proportionate decrease in international block hours flown by the Company and the codeshare partner on routes codeshared with that partner. (In calculating the proportionate decrease in block hours, such block hours shall be rounded to the nearest number that will enable each carrier to reduce its flying in increments of at least one daily round trip). Examples of such decreases are contained in [Letter B](#).

8. Prior Documentation.

Prior to any reduction under provision 7 above, the Company shall provide to the Association the information and, if necessary, the documents necessary to demonstrate compliance with that provision.

9. Initiating Codesharing with a Major Foreign Carrier.

Notwithstanding provisions K.5.c and K7. above, the Company may rationalize flying as part of entering into an initial codesharing agreement with a Major Foreign Carrier even though such rationalization involves withdrawing from a market and maintaining or place the Company's code on the service of the Major Foreign Carrier in that market, or placing the Company code on a flight of a Major Foreign Carrier that could earn an adequate return on invested capital, provided that the following conditions are fulfilled:

- a. As a result of the new codesharing agreement, block hours operated by the Company on routes involved in the codesharing agreement decrease by no more than 10% or by the block hours attributable to one round trip on a route (nonstop flying between any two airports) involved in the codesharing agreement, whichever is greater; and
- b. either there will be no decrease in the Company's total international block hours, as measured on the next January 1 for the preceding calendar year, or there will be a proportionate decrease in international block hours flown by the Company and the new codeshare partner on routes codeshared with that partner as specified in 7.c.(3) above.
- c. Provisions K.5.c. and K.7. shall apply to any subsequent change in service on the codeshared routes. In addition, if the Company withdraws from a route involved in the initial codesharing agreement, and such withdrawal causes block hours operated by the Company on routes involved in the codesharing agreement to drop below the level that would earlier have violated a. above, the Association and the Company shall review the remaining routes on which the Major Foreign Carrier is codesharing. If such review reveals that any route could earn an adequate return on invested capital, the Association shall have the right to require the Company to withdraw its code from one such route for each route from which the Company has withdrawn.

10. Withdrawal from a Codesharing Agreement.

Where the Company is required by this Agreement to withdraw from an agreement with a codesharing partner, such withdrawal shall take place at the earliest possible date that does not cause the Company to incur a financial penalty that is material in the context of the codesharing agreement with the Foreign Carrier.

L. Equity Ownership Of Foreign Carriers

A Foreign Carrier in which the Company or an Affiliate has an equity investment of more than 15% and with whom the Company codeshares shall be a "Foreign Partner." The Company may have a Foreign Partner only under the following conditions:

1. When a Foreign Carrier becomes a Foreign Partner, the parties shall establish a "Company Baseline" for that Foreign Partner as follows:
 - a. International flights by the Foreign Partner to or from any point in the U.S. that carry the Company code (or that a new codesharing agreement contemplates will carry the Company code) shall be "Covered Flights."
 - b. The Company's total scheduled block hours for the previous 12 month period in all markets (city pairs) in which there is a Covered Flight shall be the "Company Baseline."
2. Twelve months after a Foreign Carrier becomes a Foreign Partner and annually thereafter, the Foreign Carrier's total scheduled block hours attributable to Covered Flights for that twelve months shall be compared to the Foreign Carrier's previous year's total scheduled block hours attributable to Covered Flights. The Company's total scheduled block hours in markets in which the Foreign Partner operates a Covered Flight shall also be compared to the Company's previous year's total scheduled block hours in those markets.
 - a. If the above comparison in any year shows that the Foreign Partner's block hours on Covered Flights have increased, the Company's international block hours shall have increased that year at least the same number of block hours.

- b. If the above comparison in any year shows that the Company's block hours in markets in which the Foreign Partner performs Covered Flights have decreased, then the Foreign Partner's block hours on Covered Flights shall have decreased that year or the Company's international block hours shall have increased at least the same number of block hours.
- c. If the above comparison in any year shows that the Company's block hours in markets in which the Foreign Partner performs Covered Flights have decreased and the Foreign Partner's block hours on Covered Flights have increased, then the Company's international block hours shall have increased in the same year by the amount of the Company's decrease combined with the amount of the Foreign Partner's increase. For example, if the Company's block hours decrease by 100 hours and the Foreign Partner's block hours increase by 100 hours, the Company's international block hours in that year shall have increased by 200 hours.
- d. If the above provisions 2.a., b. or c are violated, the Company shall have the ensuing year to bring itself into compliance. If, at the conclusion of the ensuing year, the Company is still not in compliance, then the Company shall withdraw the Company code from sufficient Covered Flights to bring the Company into compliance.
- e. If the comparison in any year shows a decrease in the Company's block hours such that the total is less than the Company Baseline, then the Foreign Partner's block hours on Covered Flights shall not increase until a subsequent year's comparison shows that the Company's block hours are again equal to or greater than the Company's baseline.

M. Furlough Protection

- 1. Unless the furlough is caused in substantial part by "Conditions beyond the Company's control" as defined in Section 1.D.4.b.1., the Company will not furlough the following pilots:
 - a. Brian Bedrossian, date of hire December 3, 2013, and any pilot who was senior to that pilot on the American Airlines Pilots' System Seniority List as of December 9, 2013;
 - b. Daniel Bonfield, date of hire December 2, 2013, and any pilot who was senior to that pilot on the US Airways "East" seniority list as of December 9, 2013; and
 - c. Justin Aikens, date of hire April 14, 2008, and any pilot who was senior to that pilot on the US Airways "West" seniority list as of December 9, 2013.

It is understood and agreed that nothing in Section 1.M shall require the Company to recall a pilot from furlough status.

- 2. As of the implementation of the merged seniority list resulting from the integration of American Airlines pilots and US Airways pilots, furlough protection will be extended to Bedrossian, Bonfield, and Aikens and any pilot senior to Bedrossian, Bonfield, or Aikens on the merged seniority list as of the implementation date. If any of these three identified pilots is not on the merged seniority list as of that date, the identified pilot will be replaced for the purposes of this provision with the most junior pilot who was senior to the identified pilot as of December 9, 2013 and remains on the merged seniority list.
- 3. Any pilot who meets the conditions in Paragraph 1 above will be protected from furlough regardless of whether the pilot was in active duty as of December 9, 2013. This protection encompasses American Eagle pilots who satisfy Paragraph (1)(a), beginning when they flow up and begin active duty at the Company.

N. Successorship

- 1. Agreement Binding on Successor.

The Agreement shall be binding upon any Successor. The Company shall not bring a single step or multi-step Successorship Transaction to final conclusion unless the Successor agrees, in writing, to recognize the Association as the representative of pilots on the American Airlines Pilots Seniority List consistent with the Railway Labor Act, to employ the pilots on that list in accordance with the provisions of this Agreement, and to assume and be bound by this Agreement.

2. Seniority List Merger.

If the Successor is an Air Carrier or an affiliate of an Air Carrier, the Company shall, at the option of the Association, require the Successor to agree to integrate the pre-transaction pilot seniority list(s) of the Company and the seniority list of the Successor in a fair and equitable manner within 12 months of the Successorship transaction pursuant to Sections 3. and 13. of the Allegheny-Mohawk Labor Protective Provisions ("LPPs"). The requirement of this provision does not apply to the Company's acquisition of all or part of another Air Carrier in a transaction which includes the acquisition of aircraft and pilots.

O. Opportunity To Make Competing Proposal

In the event that any person or entity proposes a transaction which would result in a change of control or potential change of control of the Company or its parent, as those terms are used in AMR's 1988 Long-Term Incentive Plan, whether through a single or multi-step transaction, and the Company determines to pursue or facilitate the proposal, the Company, if consistent with the fiduciary duties of its Board of Directors, shall provide the Association with

1. advance written notice before acting favorably on such proposal; and
2. an opportunity to make a competing proposal.

P. Other Labor Protective Provisions In Substantial Asset Sale

In the event that, within any 12 month period, the Company transfers (by sale, lease, or other transaction) or otherwise disposes of aircraft, slots, or route authorities ("Aircraft-Related Assets") which, net of Aircraft-Related Asset purchases or acquisitions during the same 12 month period, constitute 20% or more of the value of the Aircraft-Related Assets of the Company to an entity or to a group of entities acting in concert that is an Air Carrier or that will operate as an Air Carrier following its acquisition of the transferred Aircraft-Related Assets (any such entity or group, the "Transferee"; any such transaction, a "Substantial Aircraft-Related Asset Sale"):

1. the Company shall require the Transferee to proffer employment to the Company's pilots in strict seniority order (the "Transferring Pilots"). The number of Transferring Pilots shall be no fewer than the average monthly pilot staffing over the prior 12 months for the Aircraft-Related Assets transferred to the Transferee in connection with the Substantial Aircraft-Related Asset Sale; and
2. the Company shall not finally conclude a transaction under this subsection unless the Transferee agrees to integrate the Transferring Pilots into the Transferee's pilot seniority list pursuant to Sections 3. and 13. of the Allegheny-Mohawk LPPs.

Q. Remedies

1. The Company and the Association agree to arbitrate any grievance filed by the other party alleging a violation of this Section 1 on an expedited basis directly before the System Board of Adjustment sitting with a neutral arbitrator. The arbitrator shall be a member of the National Academy of Arbitrators and experienced in airline industry disputes. The burden of proof will be determined by the arbitrator. The provisions of the Railway Labor Act shall apply to the resolution of any dispute regarding this Section 1.
2. The parties agree that, in addition to any other rights and remedies available under law and this Agreement, an arbitration award under this Section 1 shall be enforceable by equitable remedies, including injunctions and specific performance against the Company, American Airlines Group, Inc., and/or an Affiliate of the Company. The Company and Association agree that in a court proceeding to enforce an arbitration award under this Section 1, the rights and obligations are equitable in nature, that there are no adequate remedies at law for the enforcement of such rights and obligations, and that the Association and the Company's pilots are irreparably injured by the violation of this Section 1.

SECTION 2

DEFINITIONS

A. Air Freight Feed Operation

A freight operation conducted with non-turbojet aircraft whose primary purpose is to "feed" the Company's aircraft and which is flown with active or furloughed pilots of the Company or under contract.

B. Bid Lines

1. "Bid line" means any monthly regular or reserve flying assignment.

C. Calendar Month

"Calendar month", as used herein, shall mean the period from the first day of, to and including the last day of each calendar month of the year, except that for pilot scheduling and pay purposes the following shall apply.

Calendar Month	Contractual Month	# Days in Contractual Month
January	January 1 st – January 30 th	30
February	January 31 st – March 1 st	30 (31 in Leap Year)
March	March 2 nd – March 31 st	30
April	April 1 st – May 1 st	31
May	May 2 nd – June 1 st	31
June	June 2 nd – July 1 st	30
July	July 2 nd – July 31 st	30
August	August 1 st – August 30 th	30
September	August 31 st – September 30 th	31
October	October 1 st – October 31 st	31
November	November 1 st – December 1 st	31
December	December 2 nd – December 31 st	30

D. Captain

"Captain" means a pilot who is in command of the aircraft and is responsible for the manipulation of, or who manipulates the flight controls of an aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a current airman's certificate authorizing service as a Captain and who holds a Captain bid status.

E. Changeover pairings / prior removal sequence

Pairings on the next month allocation for trip sequences originating in the current contractual month. They may be longer or shorter which show a commitment for that particular month. Pay protection for any changes are limited to the current month's flying.

F. Classification date

A pilot's Classification Date is assigned concurrent with such pilots' occupational date and shall continue to accrue during such period of duty except as provided in Sections 11, 12, and 17 of this Agreement. Classification seniority is used to determine pay level and the timing of advancement to succeeding pay levels.

G. Company date

In most cases it is the same as your <XREF>date of hire since it is based on continuous service with AMR. A current AMR employee hired as an AA pilot will retain his/her original Company date. It is adjusted due to furloughs and leaves of absence as provided for in Sections [11](#) and [17](#).

H. Co-terminals as used in this Agreement shall mean:

1. Kennedy/Newark/LaGuardia
2. Midway/O'Hare
3. Dallas/Fort Worth International Airport/Love Field
4. Washington/Dulles International
5. Tampa/St. Petersburg
6. Miami/Fort Lauderdale

The above shall become and remain in effect when crew bases are maintained in the respective cities.

I. Contractual Month

"Contractual month" as used herein, shall mean the period of time, for pilot scheduling and pay purposes, during which allocated flying and the associated bid lines shall be effective, in accordance with Section 2.B.

J. Credited Projection (PROJ)

A pilot's total time for the month, including fly through time credited at the beginning of the month, the greater of scheduled or actual for flying already performed, scheduled time for flying yet to be performed, credits as provided in Section 15 Hours of Service (E.- minimum pay and credit for an on duty period, F. - minimum pay and credit for time away from base, and G.- minimum and average pay and credit for an on duty period), and credit for scheduled flight time when relieved of flying duties as provided in [Section 5](#), [trips missed due to paid sick leave, a training program of more than five (5) days, vacation, jury duty, and Association leave] and credited time for any credit/no pay removals (for example, unpaid sick). Credited Projection (PROJ) is used in conjunction with Scheduled Projection (SPROJ) to determine a regularly scheduled pilot's legality in accordance with [SECTION 15](#) Hours of Service.

K. Crew Tracking Trip Sequence(s)

Any pairing or re-pairing of a trip or trip sequence by Crew Tracking, or any flying that is not planned in advance to permit inclusion in a pilot's monthly trip selection, shall be called a "Crew Tracking Sequence".

L. Date of hire

The first day as an AA pilot. This date does not change for furloughs or leaves of absence.

M. Diversion

When a crew makes an unscheduled or scheduled landing at a destination other than planned, generally due to operational reasons such as (weather, mechanical, pick-up passengers, passenger emergency).

N. Divisions

1. Domestic Division

The Domestic Division is comprised of only Domestic Sequences.

2. International Division

The International Division is comprised of both Domestic and International Sequences, provided that where an International Division is co-located with a Domestic Division on the same Equipment, domestic sequences may be included only as necessary to:

- a. meet a particular month MALV, or
- b. provide opportunities to maintain currency, or
- c. minimize TDYs, or
- d. meet guidelines agreed to by the Joint Scheduling Committee.

O. Domicile

A common location where a group of pilots are based.

P. Duty day

A calendar day (0000-2400) in which any duty is performed for the company including sign-in and debrief.

Q. Duty period

The elapsed time between sign-in time and release time;

1. Sign-in time – shall not be less than one hour prior to scheduled or rescheduled departure time for a pilot flying the first flight of a duty period or thirty (30) minutes prior for a pilot deadheading.
2. Release time – shall apply to all scheduled flying and deadheading and shall be fifteen (15) minutes after the scheduled or actual block in time, whichever is later. (30 minutes for an International Sequence).
3. Deadheading to and from training does not require a thirty (30) minute sign-in or a fifteen (15) minute debrief.

R. First Officer

"First Officer" means a pilot who is second in command of the aircraft and any part of whose duty is to assist or relieve the Captain in the manipulation of the flight controls of the aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a current airman's certificate authorizing service as a First Officer and who holds a First Officer bid status. On any international flight requiring more than a two (2) pilot cockpit crew, the First Officer(s) shall also be required to possess an ATPC and a type rating on the equipment flown. For purposes of displacement to an open position on international flights requiring more than a two (2) pilot cockpit crew, the FO, FB and FC positions will be considered interchangeable (e.g. a displaced FO may be assigned to an open FB or FC position).

S. Flight Time

1. Actual – that period of time beginning when an aircraft first moves from the ramp blocks for the purpose of flight and ending when the aircraft comes to a stop at the ramp for the purpose of loading or unloading at either intermediate stops or final destination.
2. Scheduled - the time published publicly by the Company from flight departure to flight arrival of the flight.

T. Fly-through

Time resulting from a trip or trip sequence which spans two contractual months and refers to the flight time including P&C for which a pilot is credited in the succeeding contractual month.

U. Furlough

"Furlough" means the removal of a pilot from active duty as a pilot with the Company without prejudice, due to a reduction in force, or the period of time during which such pilot is not in the active employ of the Company as a pilot due to such reduction in force.

V. Last Trip of the Month

The last active scheduled trip sequence in a pilot's contractual month, other than make up, regardless of when it was added to the pilot's schedule.

W. Management pilot

A pilot who occupies a management position in the Flight Department.

X. Midnight cutoff

When a change in a contractual month occurs en route, pay and credit for the time flown before midnight shall be paid and credited to the month in which the pilot involved originated the flight. Midnight shall be determined on the basis of local time at the point of last takeoff.

Y. Misconnect

Misconnect means that a particular segment, including deadhead, of a pilot's sequence operates sufficiently late into a station so as to cause such pilot to miss the next segment of such pilot's sequence. [See Q&A [#105,15-39](#)]

Z. Night Flying

Night flying" shall include all flying between the hours of 2300 and 0559 pilot's HBT.

AA. Occupational date

Generally occupational seniority shall begin to accrue from the date a pilot is first scheduled to complete initial new hire training with the Company and shall continue to accrue during such period of duty except as provided in Sections 11 and 12 of this Agreement. Occupational seniority is used for determining placement on the Pilot System Seniority list and for bidding purposes. Any references to seniority in this Agreement are to Occupational Seniority, unless otherwise specified.

BB. Pay or Compensation

"Pay" or "compensation", for purposes of this Agreement, means longevity, hourly and, if applicable, international override pay.

CC. Pay Projection (PPROJ)

A pilot's total paid time for the month based on fly through time applied to the Credited Projection (PROJ) at the beginning of the month, the greater of scheduled or actual for flying already performed, scheduled time for flying yet to be performed, credits as provided in [SECTION 15](#) Hours of Service (E. - minimum pay and credit for an on duty period, F. - minimum pay and credit for time away from base, and G. - minimum and average pay and credit for an on duty period), for scheduled time when relieved of flying duties as provided in [Section 5](#), [trips missed due to paid sick leave, a training program of more than five (5) days, vacation, jury duty, and Association leave], and for any pay/no credit applications [for example, trips missed due to a training program of five (5) days or less as provided in [Section 6.D.1.a.](#)]. Pay adjustments will be made at the end of the month for training pay ([Section 6.D.](#)), minimum guarantee ([SECTION 4](#)), apportionment pay ([Section 6.C.2.](#))

DD. Pilot

"Pilot" shall include and mean [Captain](#), First Officer, and International Officer.

EE. Proficiency Displacement

A qualified pilot about to lose a qualification may request to displace another pilot for proficiency flying. The displaced pilot, once removed from the trip, is no longer obligated for such trip. The displacing pilot assumes the obligation to cover the displaced pilot's trip. (See Q&A [#28](#))

FF. Reassignment

A pilot who is legal in all respects for such pilot's next regularly scheduled flight/sequence, but is assigned by the Company to perform other flying instead of such regular flight/sequence. The pilot shall be paid for whichever of the two (2) flights/sequences produces the higher pay.

GG. Recurrent training

Training and any associated proficiency check(s) for a category in which the pilot is qualified and is for the purpose of retaining qualification before becoming non-current.

HH. Reschedule

A pilot shall be deemed rescheduled when assigned flying that is contained within the original sequence footprint or within the pilot's replacement flying window, as applicable, following a disruption to the pilot's scheduled sequence. The original sequence footprint or replacement flying window may be extended if the pilot flies or is deadheaded on the first available flight(s) to base. The "first available flight to base" is the flight(s) that arrives at the base the earliest. The flight(s) may be direct or indirect.

II. Requalification training

Training (ground and/or flight) and any associated proficiency check(s) for a category for which the pilot was qualified but is no longer currently qualified.

JJ. Satellite Base

A satellite base is a station other than the pilot's domicile which contains sequences that originate and terminate at the same station. Satellite base sequences may only be bid and awarded to pilots domiciled at the crew base to which the satellite base is assigned to. The following satellites shall become and remain in effect when crew bases are maintained in the respective cities:

Crew Bases	Satellites
Los Angeles	Ontario (ONT) / Santa Ana (SNA) /
San Francisco	Long Beach (LGB)
Washington	Oakland (OAK)/San Jose (SJC)
Tampa/St. Petersburg	Baltimore (BWI)
Miami/Fort Lauderdale	Sarasota (SRQ)
	West Palm Beach (PBI)

Any Los Angeles based reserve pilot who originates and terminates a trip sequence at a Los Angeles satellite will have the off duty periods immediately preceding and immediately following such trip sequence extended by one hour (1:00) each.

KK. Schedule

"Schedule" means the operating schedule used by the Company in its operations.

LL. Scheduled Trip or Trip Sequence

A "scheduled trip or trip sequence" is a published pairing of flying and/or deadheading, consisting of two or more flight segments, which originates and terminates at a crew base.

MM. Sequence

1. Domestic Sequence

A Domestic Sequence is a series of flight segments solely comprised of flying between the 48 Contiguous states of the US, and including Canada, plus non-overwater flights to Mexico.

2. International Sequence

An International Sequence is any sequence that is not a Domestic Sequence.

NN. Service

"Service" means the period of time assigned to active duty as a flight deck operating crewmember or supervisor with the Company.

OO. Sick if needed

A reserve pilot who is sick may call and so notify the Company. The pilot will not be charged sick leave until such pilot is assigned to fly. At the time the pilot is needed to fly (by assignment – not by proffer) such pilot will be so notified and will be placed on sick leave effective that date.

PP. Stand in stead displacement

A senior pilot can proffer to stand instead of a junior pilot being displaced from their respective bid status. In doing so, the senior pilot will be awarded a job from his/her bid preference list using the seniority number of the pilot who is most junior in such bid status at that point in the process. Once in the new bid status, pilots will use their own seniority number. The pilot is subject to a lock-in per [Section 17L](#).

QQ. Supervisory displacement

When a crewmember is replaced on a whole or partial sequence by a Supervisory Pilot. Crewmember is paid schedule for displacement plus greater of schedule/actual time flown. If crewmember is scheduled to deadhead on displaced leg, the greater of scheduled or actual is paid.

RR. Supervisory Pilot

Any pilot listed on the American Airlines Pilot Seniority List who is serving in a managerial or instructional capacity and has not been awarded a monthly trip selection, except that a pilot may be utilized as a temporary supervisory pilot under the provisions of [SUPPLEMENT O](#), or may be appointed to a supervisory position during the course of the month.

SS. 32 hour legality

FAR legality where an international crewmember of a two man unaugmented crew cannot be scheduled to fly over 32 hours in a seven day period.

FAR legality where a crewmember must be given a period of 24 hours free from all duty within a 7 calendar day period. This relief of duty may be given in the form of a calendar day off, a 24 hour period commencing at any time during the day and terminating 24 hours later (including a period free from all duty of 24 hours or more contained within a sequence), or by moving a reserve's movable duty free period in accordance with [Section 15.J.13.i](#).

TT. Section 2 Question and Answers

2-1. Q. *Is the pay and credit associated with a midnight cut-off considered to be "fly-through" time?*

A. Yes

SECTION 3

PAY

A. Equipment Groups

1. Equipment shall be grouped as follows, with a single rate of pay for each Group:
 - a. Group I: With the exception of aircraft identified in Groups II through V below, any aircraft configured (i.e. as operated by American Airlines) with greater than seventy-six (76) seats and less than one-hundred-eighteen (118) seats, including E190/195, CRJ-1000, MRJ-100, and Bombardier CS100.
 - b. Group II: Bombardier CS300, A319, A319neo, B737-700, B737-7MAX, MD80, B737-800, B737-8MAX, B737-900, B737-9MAX, A320, A320neo, A321, A321neo
 - c. Group III: B757, B767-200, B767-300, A300
 - d. Group IV: B767-400, B777-200, B777-200ER, B777-200LR, B777-300, B777-300ER, B787-8, B787-9, B787-10, A332, A333, A340, A350
 - e. Group V: A380, B747 (all variants)

2. New Fleet Types

Any aircraft type, including a new aircraft type, not listed in Section 3.A.1. will be included in the appropriate Group based on the FAA maximum certificated seat configuration of such aircraft types as follows: an aircraft type with an FAA maximum certificated seat configuration of fifty (50) percent or less of the difference between the highest FAA maximum certificated seat configured aircraft type in one Group and the lowest FAA maximum certificated seat configured aircraft type in the next higher Group will be placed in the lower Group; an aircraft type with an FAA maximum certificated seat configuration of greater than fifty (50) percent of the difference between the highest configured aircraft type in one Group and the lowest configured aircraft type in the next higher Group will be placed in the higher Group.

B. Hourly Pay Rates

	Captain - December 2, 2014				
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$132.95	\$202.37	\$213.66	\$253.50	\$266.18
Year 2	\$133.95	\$204.02	\$215.47	\$255.56	\$268.33
Year 3	\$135.06	\$205.68	\$217.22	\$257.65	\$270.53
Year 4	\$136.15	\$207.36	\$218.97	\$259.72	\$272.70
Year 5	\$137.18	\$209.07	\$220.84	\$261.79	\$274.88
Year 6	\$138.30	\$210.75	\$222.56	\$263.86	\$277.05
Year 7	\$139.37	\$212.41	\$224.21	\$265.93	\$279.23
Year 8	\$140.48	\$214.10	\$226.06	\$268.00	\$281.40
Year 9	\$141.55	\$215.76	\$227.67	\$270.08	\$283.58
Year 10	\$142.65	\$217.56	\$230.12	\$272.14	\$285.74
Year 11	\$143.77	\$219.39	\$232.59	\$274.21	\$287.92
Year 12	\$144.83	\$221.20	\$234.99	\$276.28	\$290.10

	First Officer - December 2, 2014				
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$72.85	\$72.85	\$72.85	\$72.85	\$72.85
Year 2	\$72.85	\$109.15	\$115.27	\$136.72	\$143.56
Year 3	\$83.87	\$127.73	\$134.89	\$160.01	\$168.01
Year 4	\$85.91	\$130.84	\$138.17	\$163.88	\$172.07
Year 5	\$87.95	\$134.02	\$141.55	\$167.80	\$176.19
Year 6	\$90.17	\$137.40	\$145.10	\$172.04	\$180.64
Year 7	\$92.69	\$141.25	\$149.10	\$176.84	\$185.68
Year 8	\$94.83	\$144.52	\$152.59	\$180.90	\$189.94
Year 9	\$95.83	\$146.08	\$154.15	\$182.84	\$191.98
Year 10	\$97.15	\$148.15	\$156.71	\$185.33	\$194.60
Year 11	\$98.06	\$149.62	\$158.62	\$187.01	\$196.36
Year 12	\$98.91	\$151.08	\$160.50	\$188.70	\$198.14

Captain - January 1, 2015 - 3% Increase

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$136.94	\$208.44	\$220.07	\$261.11	\$274.16
Year 2	\$137.97	\$210.15	\$221.93	\$263.23	\$276.39
Year 3	\$139.11	\$211.85	\$223.74	\$265.38	\$278.64
Year 4	\$140.23	\$213.58	\$225.54	\$267.51	\$280.88
Year 5	\$141.30	\$215.35	\$227.47	\$269.65	\$283.13
Year 6	\$142.45	\$217.07	\$229.23	\$271.78	\$285.37
Year 7	\$143.55	\$218.78	\$230.94	\$273.91	\$287.60
Year 8	\$144.69	\$220.52	\$232.85	\$276.04	\$289.84
Year 9	\$145.80	\$222.24	\$234.50	\$278.18	\$292.09
Year 10	\$146.93	\$224.09	\$237.02	\$280.30	\$294.31
Year 11	\$148.08	\$225.97	\$239.56	\$282.44	\$296.55
Year 12	\$149.18	\$227.84	\$242.04	\$284.57	\$298.80

First Officer - January 1, 2015 - 3% Increase

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$75.04	\$75.04	\$75.04	\$75.04	\$75.04
Year 2	\$75.04	\$112.43	\$118.73	\$140.83	\$147.86
Year 3	\$86.39	\$131.56	\$138.94	\$164.81	\$173.05
Year 4	\$88.49	\$134.77	\$142.31	\$168.80	\$177.23
Year 5	\$90.59	\$138.04	\$145.80	\$172.83	\$181.47
Year 6	\$92.88	\$141.52	\$149.46	\$177.20	\$186.06
Year 7	\$95.47	\$145.49	\$153.58	\$182.14	\$191.25
Year 8	\$97.67	\$148.86	\$157.17	\$186.33	\$195.64
Year 9	\$98.71	\$150.46	\$158.78	\$188.33	\$197.74
Year 10	\$100.06	\$152.60	\$161.41	\$190.89	\$200.44
Year 11	\$101.00	\$154.11	\$163.38	\$192.62	\$202.25
Year 12	\$101.88	\$155.61	\$165.32	\$194.36	\$204.08

Captain - January 1, 2016 - 3% Increase					
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$141.05	\$214.69	\$226.67	\$268.94	\$282.39
Year 2	\$142.11	\$216.45	\$228.59	\$271.12	\$284.68
Year 3	\$143.28	\$218.20	\$230.45	\$273.34	\$287.00
Year 4	\$144.44	\$219.99	\$232.31	\$275.54	\$289.31
Year 5	\$145.54	\$221.81	\$234.29	\$277.74	\$291.62
Year 6	\$146.72	\$223.59	\$236.11	\$279.93	\$293.93
Year 7	\$147.86	\$225.35	\$237.86	\$282.13	\$296.23
Year 8	\$149.03	\$227.14	\$239.83	\$284.32	\$298.54
Year 9	\$150.17	\$228.90	\$241.54	\$286.53	\$300.85
Year 10	\$151.34	\$230.81	\$244.13	\$288.71	\$303.14
Year 11	\$152.52	\$232.75	\$246.75	\$290.91	\$305.45
Year 12	\$153.65	\$234.67	\$249.30	\$293.11	\$307.76

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$141.05	\$214.69	\$226.67	\$268.94	\$282.39
Year 2	\$142.11	\$216.45	\$228.59	\$271.12	\$284.68
Year 3	\$143.28	\$218.20	\$230.45	\$273.34	\$287.00
Year 4	\$144.44	\$219.99	\$232.31	\$275.54	\$289.31
Year 5	\$145.54	\$221.81	\$234.29	\$277.74	\$291.62
Year 6	\$146.72	\$223.59	\$236.11	\$279.93	\$293.93
Year 7	\$147.86	\$225.35	\$237.86	\$282.13	\$296.23
Year 8	\$149.03	\$227.14	\$239.83	\$284.32	\$298.54
Year 9	\$150.17	\$228.90	\$241.54	\$286.53	\$300.85
Year 10	\$151.34	\$230.81	\$244.13	\$288.71	\$303.14
Year 11	\$152.52	\$232.75	\$246.75	\$290.91	\$305.45
Year 12	\$153.65	\$234.67	\$249.30	\$293.11	\$307.76

First Officer - January 1, 2016 - 3% Increase					
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$77.29	\$77.29	\$77.29	\$77.29	\$77.29
Year 2	\$77.29	\$115.80	\$122.29	\$145.05	\$152.30
Year 3	\$88.98	\$135.51	\$143.11	\$169.75	\$178.24
Year 4	\$91.14	\$138.81	\$146.58	\$173.86	\$182.55
Year 5	\$93.30	\$142.18	\$150.17	\$178.02	\$186.92
Year 6	\$95.67	\$145.77	\$153.94	\$182.52	\$191.64
Year 7	\$98.33	\$149.85	\$158.18	\$187.61	\$196.98
Year 8	\$100.60	\$153.32	\$161.88	\$191.92	\$201.51
Year 9	\$101.67	\$154.97	\$163.54	\$193.98	\$203.68
Year 10	\$103.06	\$157.17	\$166.25	\$196.62	\$206.45
Year 11	\$104.03	\$158.73	\$168.28	\$198.40	\$208.32
Year 12	\$104.93	\$160.28	\$170.27	\$200.20	\$210.20

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$77.29	\$77.29	\$77.29	\$77.29	\$77.29
Year 2	\$77.29	\$115.80	\$122.29	\$145.05	\$152.30
Year 3	\$88.98	\$135.51	\$143.11	\$169.75	\$178.24
Year 4	\$91.14	\$138.81	\$146.58	\$173.86	\$182.55
Year 5	\$93.30	\$142.18	\$150.17	\$178.02	\$186.92
Year 6	\$95.67	\$145.77	\$153.94	\$182.52	\$191.64
Year 7	\$98.33	\$149.85	\$158.18	\$187.61	\$196.98
Year 8	\$100.60	\$153.32	\$161.88	\$191.92	\$201.51
Year 9	\$101.67	\$154.97	\$163.54	\$193.98	\$203.68
Year 10	\$103.06	\$157.17	\$166.25	\$196.62	\$206.45
Year 11	\$104.03	\$158.73	\$168.28	\$198.40	\$208.32
Year 12	\$104.93	\$160.28	\$170.27	\$200.20	\$210.20

Captain - January 1, 2017 - 3% Increase

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$145.28	\$221.13	\$233.47	\$277.01	\$290.86
Year 2	\$146.37	\$222.94	\$235.45	\$279.26	\$293.22
Year 3	\$147.58	\$224.75	\$237.36	\$281.54	\$295.61
Year 4	\$148.77	\$226.59	\$239.28	\$283.80	\$297.99
Year 5	\$149.91	\$228.46	\$241.32	\$286.07	\$300.37
Year 6	\$151.13	\$230.29	\$243.19	\$288.33	\$302.74
Year 7	\$152.29	\$232.11	\$245.00	\$290.59	\$305.12
Year 8	\$153.50	\$233.95	\$247.03	\$292.85	\$307.49
Year 9	\$154.68	\$235.77	\$248.79	\$295.12	\$309.87
Year 10	\$155.88	\$237.73	\$251.46	\$297.37	\$312.24
Year 11	\$157.10	\$239.73	\$254.15	\$299.64	\$314.61
Year 12	\$158.26	\$241.71	\$256.78	\$301.90	\$316.99

First Officer - January 1, 2017 - 3% Increase

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$79.61	\$79.61	\$79.61	\$79.61	\$79.61
Year 2	\$79.61	\$119.28	\$125.96	\$149.40	\$156.87
Year 3	\$91.65	\$139.57	\$147.40	\$174.84	\$183.58
Year 4	\$93.87	\$142.97	\$150.98	\$179.08	\$188.03
Year 5	\$96.10	\$146.44	\$154.68	\$183.36	\$192.53
Year 6	\$98.54	\$150.14	\$158.56	\$187.99	\$197.39
Year 7	\$101.28	\$154.35	\$162.93	\$193.23	\$202.89
Year 8	\$103.62	\$157.92	\$166.74	\$197.67	\$207.56
Year 9	\$104.72	\$159.62	\$168.45	\$199.80	\$209.79
Year 10	\$106.15	\$161.89	\$171.24	\$202.52	\$212.64
Year 11	\$107.15	\$163.49	\$173.33	\$204.35	\$214.57
Year 12	\$108.08	\$165.09	\$175.38	\$206.20	\$216.51

Captain - January 1, 2018 - 3% Increase					
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$149.64	\$227.76	\$240.47	\$285.32	\$299.58
Year 2	\$150.76	\$229.63	\$242.51	\$287.64	\$302.01
Year 3	\$152.01	\$231.49	\$244.48	\$289.99	\$304.48
Year 4	\$153.23	\$233.38	\$246.46	\$292.32	\$306.93
Year 5	\$154.40	\$235.31	\$248.56	\$294.65	\$309.38
Year 6	\$155.66	\$237.20	\$250.49	\$296.98	\$311.83
Year 7	\$156.86	\$239.07	\$252.35	\$299.31	\$314.27
Year 8	\$158.11	\$240.97	\$254.44	\$301.64	\$316.72
Year 9	\$159.32	\$242.84	\$256.25	\$303.97	\$319.17
Year 10	\$160.56	\$244.87	\$259.00	\$306.29	\$321.61
Year 11	\$161.81	\$246.92	\$261.78	\$308.63	\$324.05
Year 12	\$163.01	\$248.96	\$264.49	\$310.96	\$326.50

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$149.64	\$227.76	\$240.47	\$285.32	\$299.58
Year 2	\$150.76	\$229.63	\$242.51	\$287.64	\$302.01
Year 3	\$152.01	\$231.49	\$244.48	\$289.99	\$304.48
Year 4	\$153.23	\$233.38	\$246.46	\$292.32	\$306.93
Year 5	\$154.40	\$235.31	\$248.56	\$294.65	\$309.38
Year 6	\$155.66	\$237.20	\$250.49	\$296.98	\$311.83
Year 7	\$156.86	\$239.07	\$252.35	\$299.31	\$314.27
Year 8	\$158.11	\$240.97	\$254.44	\$301.64	\$316.72
Year 9	\$159.32	\$242.84	\$256.25	\$303.97	\$319.17
Year 10	\$160.56	\$244.87	\$259.00	\$306.29	\$321.61
Year 11	\$161.81	\$246.92	\$261.78	\$308.63	\$324.05
Year 12	\$163.01	\$248.96	\$264.49	\$310.96	\$326.50

First Officer - January 1, 2018 - 3% Increase					
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$81.99	\$81.99	\$81.99	\$81.99	\$81.99
Year 2	\$81.99	\$122.85	\$129.74	\$153.88	\$161.58
Year 3	\$94.40	\$143.76	\$151.82	\$180.09	\$189.09
Year 4	\$96.69	\$147.26	\$155.51	\$184.45	\$193.67
Year 5	\$98.99	\$150.84	\$159.32	\$188.86	\$198.30
Year 6	\$101.49	\$154.65	\$163.32	\$193.63	\$203.31
Year 7	\$104.32	\$158.98	\$167.82	\$199.03	\$208.98
Year 8	\$106.73	\$162.66	\$171.74	\$203.60	\$213.78
Year 9	\$107.86	\$164.41	\$173.50	\$205.79	\$216.08
Year 10	\$109.34	\$166.75	\$176.38	\$208.59	\$219.02
Year 11	\$110.37	\$168.40	\$178.53	\$210.48	\$221.00
Year 12	\$111.32	\$170.04	\$180.64	\$212.39	\$223.00

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$81.99	\$81.99	\$81.99	\$81.99	\$81.99
Year 2	\$81.99	\$122.85	\$129.74	\$153.88	\$161.58
Year 3	\$94.40	\$143.76	\$151.82	\$180.09	\$189.09
Year 4	\$96.69	\$147.26	\$155.51	\$184.45	\$193.67
Year 5	\$98.99	\$150.84	\$159.32	\$188.86	\$198.30
Year 6	\$101.49	\$154.65	\$163.32	\$193.63	\$203.31
Year 7	\$104.32	\$158.98	\$167.82	\$199.03	\$208.98
Year 8	\$106.73	\$162.66	\$171.74	\$203.60	\$213.78
Year 9	\$107.86	\$164.41	\$173.50	\$205.79	\$216.08
Year 10	\$109.34	\$166.75	\$176.38	\$208.59	\$219.02
Year 11	\$110.37	\$168.40	\$178.53	\$210.48	\$221.00
Year 12	\$111.32	\$170.04	\$180.64	\$212.39	\$223.00

Captain - January 1, 2019 - 3% Increase

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$154.13	\$234.60	\$247.69	\$293.88	\$308.57
Year 2	\$155.28	\$236.52	\$249.78	\$296.26	\$311.07
Year 3	\$156.57	\$238.43	\$251.82	\$298.69	\$313.62
Year 4	\$157.83	\$240.38	\$253.85	\$301.09	\$316.14
Year 5	\$159.03	\$242.37	\$256.01	\$303.49	\$318.66
Year 6	\$160.33	\$244.32	\$258.00	\$305.89	\$321.18
Year 7	\$161.57	\$246.24	\$259.92	\$308.29	\$323.70
Year 8	\$162.85	\$248.20	\$262.07	\$310.69	\$326.22
Year 9	\$164.10	\$250.13	\$263.94	\$313.09	\$328.74
Year 10	\$165.38	\$252.21	\$266.77	\$315.48	\$331.25
Year 11	\$166.66	\$254.33	\$269.63	\$317.88	\$333.77
Year 12	\$167.90	\$256.43	\$272.42	\$320.29	\$336.30

First Officer - January 1, 2019 - 3% Increase

	Group I	Group II	Group III	Group IV	Group V
Year 1	\$84.45	\$84.45	\$84.45	\$84.45	\$84.45
Year 2	\$84.45	\$126.54	\$133.63	\$158.50	\$166.42
Year 3	\$97.23	\$148.07	\$156.38	\$185.49	\$194.77
Year 4	\$99.59	\$151.68	\$160.18	\$189.98	\$199.48
Year 5	\$101.96	\$155.36	\$164.10	\$194.53	\$204.25
Year 6	\$104.54	\$159.29	\$168.22	\$199.44	\$209.41
Year 7	\$107.45	\$163.75	\$172.85	\$205.00	\$215.25
Year 8	\$109.93	\$167.54	\$176.89	\$209.71	\$220.20
Year 9	\$111.10	\$169.35	\$178.71	\$211.97	\$222.56
Year 10	\$112.62	\$171.75	\$181.67	\$214.85	\$225.59
Year 11	\$113.68	\$173.45	\$183.89	\$216.80	\$227.63
Year 12	\$114.66	\$175.15	\$186.06	\$218.76	\$229.69

C. Determination of Hours

1. a. In determining the hours flown by pilots for pay purposes, the actual time from block to block and time credited for pay purposes as specified elsewhere in this Agreement shall be used; provided that on each sequence where scheduled times have been established, the pilot shall be paid for no less than such scheduled time.
- b. Subsequent to the start of a contractual month, the Company may add flight time to a scheduled segment by changing the scheduled arrival time for the sole purpose of correcting arrival performance. Such addition of flight time shall not be considered a reassignment under [Section 15.N](#) of this agreement. In a contractual month, the total number of such adjusted segments shall not exceed two percent (2%) of the total number of system scheduled segments. The difference between the credited time of the adjusted segment after having been flown and the time of the segment as originally scheduled shall be paid at the rate of one and one-half (1-1/2) minutes for each one (1) minute of credited flight time.
2. When the scheduled block to block time is found in actual operation to be improper, conferences shall be held at the request of the pilot representatives for the purpose of establishing proper scheduled times to be used for pay purposes.

D. A pilot who holds a Captain assignment shall receive international override pay at the rate of six dollars (\$6.00) per hour for each hour of International flying actually performed. Except as provided elsewhere in this Agreement, International override shall not apply to the contiguous forty-eight (48) states and Canada.

E. A pilot who holds a First Officer assignment shall receive, in addition to pay computed as provided in Section 3.B of the Basic Agreement, international override pay based on a percentage of Captain international override for the same year of service as follows:

Year in Which Serving	Percentage of Comparable Year Captain International Override
2	50.0%
3	60.0%
4	61.0%
5	62.0%
6	63.0%
7	64.0%
8	65.5%
9	67.0%
10	68.0%
11	68.5%
12 and thereafter	69.0%

F. Pay Check Process

Pilots shall be paid on the 15th and 30th of each month. Pilot pay due on the thirtieth (30th) of the month shall be an amount approximately fifty percent (50%) of the previous month's total pay. The remainder shall be paid on the 15th of the following month along with any adjustments.

G. General

When a change in a contractual month occurs en route, pay and credit for the time flown before midnight shall be paid and credited to the month in which the pilot involved originated the flight. Midnight shall be determined on the basis of local time at the point of last takeoff.

H. Displacement Pay Protection

If any pilot, who was active on December 09, 2013, is involuntarily displaced to a Group 1 aircraft, the pilot's hourly pay rate shall not be reduced. This pay protection shall terminate if and when the involuntarily-displaced pilot can hold a position at the same or higher pay rate.

I. Section 3 Questions and Answers

SECTION 4

MINIMUM GUARANTEES

- A.** An awarded bid line shall have a minimum value for pay purposes equal to the lower bid line limit (i.e. Monthly Average Line Value less 7 hours, assuming a Line Construction Window of +/- 7 hours) for the applicable bid status.
- B.** A pilot who is awarded a reserve flying assignment shall receive a minimum guarantee for each full contractual month of service compensation equal to:
1. Seventy-three (73) hours for a Long Call Reserve Line, or
 2. Seventy-six (76) hours for a Short Call Reserve Line
- at rates as set forth in this Agreement for the equipment in such reserve flying assignment. [See Q&A [15-8](#)]
- C.** Sequence Protection
1. General
 - a. A lineholder pilot or reserve pilot flying on days off whose sequence is cancelled for any reason shall be pay protected for the scheduled value of the sequence at the time of the award or assignment.
 - b. The Sequence Footprint, as defined in C.2.e. below, is established at the time of the award or assignment.
 - c. The Company shall notify the pilot of a Sequence Cancellation, as defined in C.2.d. below, as soon as possible after the Sequence Cancellation is known.
 2. Definitions
 - a. Calendar Day - for the purposes of sequence protection and replacement flying, a calendar day shall be considered as 02:00 HBT until the following 01:59 HBT.
 - b. Cancellation Notification Window - for (1) sequences cancelled the day prior to sequence origination, after the conclusion of DOTC, or (2) sequences cancelled prior to the originally scheduled sign-in time on the day of sequence origination, the sequence cancellation window shall consist of three (3) hours starting at the time of sequence cancellation.
 - c. Replacement Flying - Flying that is assigned / awarded by the Company to a pilot whose sequence, or portion thereof, has cancelled.
 - (1) Replacement Flying Window - (i) The Sequence Footprint plus four (4) hours, or the end of the calendar day, whichever is later, or (ii) the Sequence Footprint, plus thirty (30) hours for Trans Oceanic sequences, including to/from Hawaii, U.S. to South of the Equator.
 - (2) The Replacement Flying Window may be extended beyond C.2.c.(1) above if the pilot flies or is deadheaded on the first available flight(s) to base. The "first available flight(s) to base" is the flight(s) that arrives at the base the earliest. The flight(s) may be direct or indirect.
 - d. Sequence Cancellation - For the purposes of sequence protection, the terms Sequence Cancellation, Misconnect and Illegality shall be interchangeable.
 - e. Sequence Footprint - The originally scheduled flight departure (OUT) time on the first day of the sequence to the end of the originally scheduled flight termination (IN) time on the last day of the sequence.
 3. Replacement Flying
 - a. Provided the pilot is qualified, legal and available (QLA), the Company may assign Replacement Flying that does not exceed the pilot's Individual Monthly Maximum ([IMAX](#)) as follows:

- (1) The Company may assign any Replacement Flying that fits within the Replacement Flying Window, including modification of the original sequence.
- (2) The Company may proffer and the pilot may accept Replacement Flying that commences prior to the Sequence Footprint and/or finishes beyond the Replacement Flying Window (including replacement flying that will cause an illegality with the pilot's next sequence(s)).
- (3) The Company may assign Replacement Flying that causes an illegality with the pilot's next sequence(s).
- (4) The Company may assign Replacement Flying that is scheduled to terminate beyond the Replacement Flying Window in accordance with [C.2.c.\(2\)](#).
- (5) The Company may not involuntarily assign a pilot to Replacement Flying that requires a sign-in time earlier than the sign-in time of the originally scheduled Sequence Footprint.
- (6) Premium pay provisions shall apply for any reassignment during replacement flying that result in a pilot flying beyond the Sequence Footprint (of the originally cancelled sequence).
- (7) EXCEPTION: If mutually agreed between the Company and the pilot, the pilot may decline Sequence Protection at the time of notification of sequence cancellation or notification of a Replacement Flying assignment and forfeit the applicable sequence protection. Agreement by the Company shall not be unreasonably withheld.

4. Notification and Contact Requirements

The following provisions shall cover a pilot's responsibilities related to the Company's assigning / awarding of Replacement Flying:

a. Cancellation for next day (or beyond):

- (1) Cancellation occurs prior to DOTC, assignments / awards shall be made:
 - (a) From the start of DOTC until 15:00 HBT, the day prior to sequence origination, or
 - (b) Prior to the start of the initial DOTC, by mutual agreement. If a pilot is awarded a sequence prior to the start of the initial DOTC by mutual agreement, the replacement flying assignment shall serve as the sequence footprint for any subsequent replacement flying assignment.
- (2) Cancellation occurs during DOTC (day prior to sequence origination): assignments shall be made until 15:00 HBT or the end of the Cancellation Notification Window, whichever is later.
- (3) Cancellation occurs after DOTC (day prior to sequence origination): the pilot shall be contactable during the Cancellation Notification Window.
- (4) The pilot shall be responsible for assignments / awards made during the windows in (1) through (3) above.

b. Cancellation Day of Sequence Origination (prior to sign-in): the pilot shall be contactable during the Cancellation Notification Window.

- (1) EXCEPTION - For a sequence cancellation that occurs pre sign-in between 00:00 and 07:00 HBT, the Company should delay making phone contact as late as possible in this time frame so as not to disturb pilot rest.
- (2) This exception does not prevent the Company from assigning replacement flying (within the Cancellation Notification Window) that signs-in on or after the pilot's originally scheduled sign-in time.

c. If the pilot is not assigned replacement flying, as applicable in Section 4.C.4.a. through 4.C.4.b. above, the pilot's next obligation is to be contactable for assignment from the start of DOTC until 15:00 HBT each day of the Sequence Footprint, except as provided for in Section 4.C.4.f. below.

d. Cancellation Post Sign-In at Domicile (prior to departure of first leg, or mid-sequence): the pilot will remain promptly available for assignment to replacement flying for four (4) hours after the originally scheduled sequence sign-in time (after originally scheduled departure

time, if mid-sequence), or one (1) hour after the cancellation is known, whichever is later. If not assigned replacement flying within the window above, the pilot shall be released for that day.

- (1) The pilot may only be assigned replacement flying during the next and subsequent DOTC window(s) from the start of DOTC until 15:00 HBT except as provided for in Section 4.C.4.f.
- e. If the pilot's sequence is cancelled while the pilot is away from domicile, the pilot will remain contactable for assignment to replacement flying for the duration of the originally scheduled duty period (if the duty period has already commenced) and the applicable replacement flying window.
 - (1) If on layover and sequence cancellation occurs within nine (9) hours of the pilot's originally scheduled sign-in, the Company should delay making phone contact as late as possible in this time frame so as not to disturb pilot rest.
 - (2) If already at the airport when a sequence cancellation occurs, the crew will not be held at the airport without expectation of departure within a reasonable period of time. Crew Schedule/Tracking shall repair a pilot's schedule as soon as possible.
- f. Notwithstanding a pilot's obligation(s) to be contactable for the assignment of replacement flying as provided for in Section 4.C.4.a. through e. (as applicable), a pilot shall not be contactable during DOTC on the last day of the Cancelled Sequence Footprint, except when a pilot's Trans Oceanic sequence, including to/from Hawaii and the U.S. to South of the Equator, is cancelled, the pilot shall be contactable.

5. Use of Reserve Pilot Sequences

The Company may use a sequence previously assigned or currently being flown by a reserve pilot as replacement flying as follows:

- a. Pre-sign in: a reserve pilot may be removed from a sequence up to two (2) hours prior to the originally scheduled sign-in time. Within two (2) hours of sign-in, with a reserve pilot's concurrence, the pilot may be voluntarily removed from the sequence.
 - (1) If a reserve pilot is removed from their sequence pre-sign in, the reserve pilot shall be contactable for the remainder of the pilot's RAP.
- b. Post-sign in: by mutual agreement, a reserve pilot may be removed from a sequence post-sign in and prior to the departure of the first leg of the sequence. If the reserve pilot is removed by mutual agreement, the pilot shall be paid in accordance with Section 15. H. If the reserve pilot is not removed, the pilot must fly or deadhead at least one (1) leg prior to removal from the remainder of the sequence. If the reserve pilot is removed after one (1) or more legs of the original sequence, such pilot will receive applicable pay and credit for the duty period(s) completed.

6. Procedures for Assigning Replacement Flying

A pilot shall be assigned replacement flying as follows:

- a. To the maximum extent possible, Crew Scheduling shall assign replacement flying that best matches the hours of obligation and the footprint of the affected sequence based on the pilot's preference ballot.
 - (1) Any sequence that is within one (1) hour of the cancelled sequence value, provided it does not result in the loss of availability for another pilot eligible for replacement flying.
 - (2) If the number of eligible replacement flying pilots (in the same block) exceeds the number of open sequences (in the same block), the senior pilot(s) shall have the ability to pass.
 - (a) If there are still open sequences (in a lower block) after 6.a.(2) above, the remaining eligible replacement flying pilots shall be assigned one of the open sequences using the preference ballot based on seniority.
 - (3) A pilot who fails to submit a preference ballot shall be assigned replacement flying by Crew Scheduling that best matches the hours of obligation and the footprint of the affected sequence.

(4) By mutual agreement pilots assigned / awarded replacement flying may be awarded a different sequence that opens subsequent to the sign-in time of the replacement flying assignment / award.

(5) By mutual agreement, pilots not assigned / awarded replacement flying during DOTC or the Cancellation Notification Window (whichever is applicable), may be awarded sequences that open after the conclusion of DOTC or the Cancellation Notification Window (whichever is applicable).

- b. To the maximum extent possible, Crew Tracking shall assign replacement flying that best matches the hours of obligation and the footprint of the affected sequence.

The Company and the Association Joint Scheduling Committee shall review the procedures for assigning replacement flying at JSC meetings.

7. Illegalities

Illegalities caused by replacement flying with a pilot's next sequence(s) shall be handled as follows:

- a. Crew Schedule has the option to eliminate the illegality through partial sequence modification or reassignment.
- b. Replacement flying assignment - if assigned and/or awarded replacement flying that causes an unresolved illegality with the pilot's next sequence(s) at the time of assignment, the pilot shall be removed paid and uncredited from the illegal sequence(s) with no replacement flying obligation for the removed sequence(s).
- c. Reassigned during replacement flying - if reassigned during replacement flying, and the reassignment causes an unresolved illegality with the pilot's next sequence(s) at the time of assignment, the pilot shall be removed paid and uncredited from the illegal sequence(s) with no replacement flying obligation for the removed sequence(s).
- d. Rescheduled (as referenced in C.2.c.(2) and/or overfly during replacement flying - the pilot shall be removed from the illegal sequence(s) with a replacement flying obligation for the removed sequence(s). The pilot shall be paid and credited for the greater of the original sequence(s) or the replacement flying sequence(s).
- e. LIMITATION - if a pilot is removed from a subsequent sequence as a result of a reschedule or overfly during replacement flying, the pilot's replacement flying obligation for the subsequent sequence shall be the replacement flying window. If the pilot is then removed from another subsequent sequence as a result of a reschedule or overfly during replacement flying for the 2nd sequence, the pilot's replacement flying window for the next (3rd) sequence is the Sequence Footprint, as defined in Section [4.C.2.e](#).

D. Section 4 Questions and Answers

4-1. Q. *Is pay protection provided for any change(s) made to a prior removed/changeover sequence?*

A. Pay protection is only provided for the original scheduled sequence time encompassed in the current month.

4-2. Q. *A pilot is illegal to fly a prior removed/changeover sequence due to the change(s) made. Is the pilot pay protected for the original scheduled sequence?*

A. The pilot will be removed off the entire sequence and pay protected for the original scheduled sequence time encompassed in the current month.

4.C Sequence Protection Q&A

General & Definitions

4-3. Q. *Is a pilot pay protected for a cancelled sequence due to the actions of another crewmember (e.g. another crewmember assigned to the sequence oversleeps, thought sequence was on a different day, fails to maintain a current passport and/or medical certificate)?*

A. Yes

4-4. Q. *Is a pilot pay protected for a cancelled sequence due to circumstances within his control (e.g. oversleeping, pilot thought sequence was on a different day, failure to maintain a current passport and/or medical certificate)?*

A. No.

4-5. Q. *Is a pilot pay protected for a cancelled sequence when circumstances prevent them from reporting for duty as previously planned or scheduled?*

When circumstances prevent a pilot from reporting for duty in accordance with the [Commuter Policy - Supplement G](#), the provisions of Supplement G shall apply.

4-6. Q. *If a pilot's sequence cancels how is the pilot placed on the Replacement Flying list?*

A. The pilot is placed on the list automatically.

4-7. Q. *When must the Company notify a pilot of sequence cancellation?*

A. Crew Schedule/Crew Tracking will notify the pilot of sequence cancellation as soon as possible after sequence cancellation is known.

4-8. Q. *What is the Replacement Flying Window for an International Sequence that flies Trans-Oceanic including to/from Hawaii or U.S. to South of the Equator?*

A. The originally scheduled flight departure (OUT) time on the first day of the sequence until the end of the sequence footprint, plus thirty (30) hours.

Example - a pilot flying a Trans-Oceanic International Sequence (DFW - NRT - DFW) where the originally scheduled flight termination (IN) time on the last day of the sequence is 15:30 HBT on the 15th. The pilot may be assigned replacement flying that is scheduled to terminate no later than 21:30 HBT on the 16th.

Example - a pilot flying an International Sequence South of the Equator (MIA - GIG - MIA) where the originally scheduled flight termination (IN) time on the last day of the sequence is 04:10 HBT on the 15th. The pilot may be assigned replacement flying that is scheduled to terminate (IN) no later than 10:10 HBT on the 16th.

4-9. Q. *What is the Replacement Flying Window for a Domestic Sequence and all other International Sequences not covered by the Q&A above?*

A. The originally scheduled flight departure (OUT) time on the first day of the sequence until the end of the sequence footprint plus four (4) hours, or the end of the calendar day, whichever is later.

Example - a pilot's Domestic Sequence originally scheduled flight termination (IN) time on the last day of the sequence is 10:00 HBT on the 15th. The pilot may be assigned replacement flying that is scheduled to terminate no later than 01:59 HBT on the 16th.

Example - a pilot's International Sequence (not Trans-Oceanic or U.S. to South of the Equator) originally scheduled flight termination (IN) time on the last day of the sequence is 21:00 HBT on the 15th. The pilot may be assigned replacement flying that is scheduled terminate (IN) no later than 01:59 HBT on the 16th.

Example - a pilot's originally scheduled flight termination (IN) time on the last day of the sequence is 00:30 HBT on the 15th. The pilot may be assigned replacement flying that is scheduled to terminate (IN) no later than 04:30 HBT on the 15th.

4-10. Q. *May a pilot be assigned multiple sequences during the replacement flying window?*

A. Yes, as long as the replacement flying is scheduled to finish within the applicable replacement flying window.

Example - a pilot is notified of Domestic Sequence cancellation at 20:00 HBT on the 15th, for a three-day sequence originating (OUT) at 10:00 HBT on the 16th and terminating (IN) at 17:00 HBT on the 18th. During the cancellation notification window, the pilot is assigned a one-day replacement flying sequence that terminates (IN) at 20:00 HBT on the 16th. During DOTC on the 16th for flying on the 17th, the pilot is assigned a two-day sequence terminating (IN) at 19:00 HBT on the 18th.

Example - a pilot scheduled to fly a Trans-Oceanic International Sequence is notified of a sequence cancellation at 17:00 HBT on the 15th, for a three-day sequence originating (OUT) at 22:00 HBT on the 15th and terminating (IN) at 05:00 HBT on the 18th. During the cancellation notification window, the pilot is assigned a two-day replacement flying sequence that terminates (IN) at 20:00 HBT on the 17th. During DOTC on the 17th for flying on the 18th, the pilot is assigned a two-day sequence terminating (IN) at 09:00 HBT on the 19th.

4-11. Q. *May a pilot whose Trans-Oceanic sequence cancels be assigned a Domestic Sequence as replacement flying.*

A. Yes, such pilot may be assigned a Domestic Sequence within the Replacement Flying Window as defined in Section [4.C.2.c.\(1\).\(i.\)](#).

4-12. Q. *May a pilot whose non-Trans-Oceanic or U.S. to South of the Equator International Sequence cancels be assigned a Trans-Oceanic or U.S. to South of the Equator replacement flying assignment.*

A. Yes, if QLA, the pilot may be assigned a Trans-Oceanic or U.S. to South of the Equator replacement flying if the replacement flying is scheduled to terminate as defined in Section 4.C.2.c.(1).(i.).

4-13. Q. *May a pilot whose Domestic Sequence cancels be given an international Sequence as replacement flying?*

A. Yes, if QLA, such pilot may be assigned an International Sequence as replacement flying, within the Replacement Flying Window as defined in Section [4.C.2.c.\(1\).\(i.\)](#).

Monthly Pay Guarantee

4-14. Q. *A pilot's sequence cancels prior to sign-in. The sequence was originally scheduled for 20:00 hours (pay and credit). The pilot flies replacement flying worth 15:00 hours (pay and credit). How is the pilot paid and credited for the sequence?*

A. The pilot is paid and credited the value of the original sequence, 20:00 hours.

4-15. Q. *A pilot's sequence cancels prior to sign-in. The sequence was originally scheduled for 17:00 hours (pay and credit). The pilot flies replacement flying worth 19:00 hours (pay and credit). How is the pilot paid and credited for the sequence?*

A. The pilot is paid and credited the value of the replacement flying, 19:00 hours.

4-16. Q. *A pilot is on day two of a three day sequence. The sequence was originally scheduled for 16:30 (pay and credit). Prior to the departure of the cancelled flight(s), the*

sequence value was 17:30 (pay and credit), due to overfly on day one and day two. The pilot flies replacement flying worth 15:00 hours (pay and credit). How is the pilot paid and credited for the sequence?

A. The pilot will be paid and credited 16:30 (the scheduled value of the sequence at the time of award or assignment).

4-17. Q. *A pilot is on day two of a three day sequence. The sequence was originally scheduled for 16:30 (pay and credit). Prior to the departure of the cancelled flight(s), the sequence was still scheduled for 16:30 (pay and credit). The pilot flies replacement flying worth 13:00 hours (pay and credit). How is the pilot paid and credited for the sequence?*

A. The pilot will be paid and credited 16:30 (the value of the sequence prior to cancellation).

4-18. Q. *A pilot is on day two of a three day sequence. The sequence was originally scheduled for 16:30 (pay and credit). Due to overfly on day one and two, the sequence value is now 18:00 hours (pay and credit). While on layover after day two, day three of the sequence is modified from three flights to one flight. The pilot flies replacement flying worth 14:00 hours (pay and credit). How is the pilot paid and credited for the sequence?*

A. The pilot will be paid and credited 16:30 hours (the value of the sequence at the time of award or assignment).

4-19. Q. *A pilot is scheduled for a two-day sequence. The day prior to sequence origination and prior to DOTC, all flights on the first day and the first flight on the second day (which was scheduled to arrive in domicile) are cancelled. The pilot is QLA for the remainder of the sequence starting with the second flight on the second day. How is the pilot paid and credited for the sequence and what is the pilot's replacement flying obligation?*

A. The pilot is paid and credited for the value of the originally scheduled sequence or the value of the replacement flying, whichever is greater. The pilot may be assigned replacement flying, but it must terminate no later than the originally scheduled sequence footprint.

4-20. Q. *A pilot is scheduled for a two-day sequence. After sign-in, but prior to departure on the first flight of the sequence origination, all flights on the first day and the first flights on the second day (which was scheduled to arrive in domicile) are cancelled. The pilot is QLA for the remainder of the sequence starting with the second flight on the second day. How is the pilot paid and credited for the sequence and what is the pilot's replacement flying obligation?*

A. The pilot is paid and credited for the value of the originally scheduled sequence or the value of the replacement flying, whichever is greater. The pilot may be assigned replacement flying, but it must terminate no later than the originally scheduled sequence footprint.

4-21. Q. *Is a reserve pilot that is awarded/assigned flying into, coming off of, and/or on days off eligible for sequence protection?*

A. Yes. A reserve pilot who is awarded/assigned flying into, coming off of, and/or on a day(s) off is eligible for sequence protection.

4-22. Q. *A reserve pilot is awarded a three-day sequence worth 16:30 (pay and credit) that flies entirely on scheduled days off. The sequence cancels prior to sign-in. The reserve pilot flies replacement flying worth 12:00 hours (pay and credit). How is the reserve pilot paid and credited?*

A. The reserve pilot will be paid and credited the value of the original sequence, 16:30, on top of the pilot's monthly guarantee or actual pay and credit for the month, whichever is greater.

Example - a reserve pilot does not break monthly guarantee and flies a sequence worth 16:30 (pay and credit) entirely on days off. The reserve pilot will be paid the monthly guarantee (73:00 hours for Long Call reserve, 76:00 if Short Call reserve), plus 16:30 for flying on days off, for a total HI-1 PPROJ of 89:30 if Long Call or 92:30 if Short Call.

Example - a reserve pilot breaks monthly guarantee (77:00 hours of pay and credit) and flies a sequence worth 16:30 (pay and credit) entirely on days off. The reserve pilot is paid 77:00 hours, plus 16:30 for flying on days off, for a total HI-1 PPROJ of 93:30.

- 4-23. Q. *A reserve pilot is awarded a three-day sequence worth 16:30 (pay and credit) that flies on one day of reserve availability and two scheduled days off. The amount of flying originally scheduled on the two scheduled days off is 12:30. The sequence cancels prior to sign-in. The reserve pilot flies replacement flying worth 10:00 hours (pay and credit) on the scheduled days off. How is the reserve pilot paid and credited?*

A. The reserve pilot will be paid and credited 12:30, on top of the pilot's monthly guarantee or actual pay and credit for the month, whichever is greater.

Example - a reserve pilot does not break monthly guarantee and flies a sequence worth 16:30, which has 12:30 (pay and credit) of that time on scheduled days off. The reserve pilot will be paid the monthly guarantee (73:00 hours for Long Call reserve, 76:00 if Short Call reserve), plus 12:30 for flying on days off, for a total HI-1 PPROJ of 85:30, 88:30 respectively.

Example - a reserve pilot breaks monthly guarantee (77:00 hours of pay and credit) and flies a sequence worth 16:30, which has 12:30 (pay and credit) of that time on scheduled days off. The reserve pilot is paid 77:00 hours, plus 12:30 for flying on days off, for a total HI-1 PPROJ of 89:30.

Replacement Flying

- 4-24. Q. *May the Company award/assign replacement flying that will result in the pilot exceeding their Individual Monthly Maximum [\(IMAX\)](#) at the time of assignment?*

A. No. The value of replacement flying may not exceed the pilot's IMAX at the time of assignment.

- 4-25. Q. *May the Company assign replacement flying that commences prior to the originally scheduled flight departure (OUT) time on the first day of the sequence?*

A. No. The pilot is not required to accept replacement flying that commences prior to the originally scheduled flight departure (OUT) time on the first day of the sequence.

- 4-26. Q. *May the Company proffer and voluntarily award replacement flying that commences prior to the originally scheduled flight departure (OUT) time on the first day of the sequence?*

A. Yes. The pilot, at their option, if proffered by the Company, may accept replacement flying that commences prior to the originally scheduled flight departure (OUT) time on the first day of the sequence. Reassignment premium pay provisions shall not apply.

- 4-27. Q. *May the Company assign replacement flying beyond the replacement flying window to a pilot flying an International Sequence (Trans-Oceanic including to/from Hawaii, U.S. to South of the Equator)?*

A. Yes. If the pilot is rescheduled in accordance with Section 4. [C.2.c.\(2\)](#). If the pilot is reassigned, premium pay provisions shall apply.

Example - a pilot scheduled to fly DFW - NRT - DFW has the NRT - DFW flight cancel prior to departure from DFW. The flights from NRT - DFW, NRT - LAX and NRT - ORD

are cancelled for the next two days due to volcanic activity. The first available flight(s) (direct or indirect, including deadhead) to get the pilot back to base are scheduled to arrive beyond the pilot's replacement flying window. If the Company reschedules the pilot, the pilot will be removed paid and credited from any conflicting sequence(s) with replacement flying obligation.

Example - a pilot scheduled to fly DFW - NRT - DFW has the NRT - DFW flight cancel due to mechanical. The pilot is QLA for the first available flight(s) (direct or indirect, including deadhead) to get the pilot back to base, but is reassigned to operate a later flight from NRT - DFW. Since the pilot is reassigned, the premium pay provisions shall apply. The pilot will be removed paid and uncredited from any conflicting sequence(s) with no replacement flying obligation.

4-28. Q. *May the Company assign replacement flying beyond the replacement flying window to a pilot with a canceled Domestic Sequence?*

A. Yes. If the pilot is rescheduled in accordance with Section 4. [C.2.c.\(2\)](#). If the pilot is reassigned, premium pay provisions shall apply.

Example - a pilot is scheduled to fly the last flight of the day from RIC - DFW on day three of a three-day sequence. The pilot's RIC - DFW flight cancels due to a mechanical. The pilot is then rescheduled to spend the night in RIC and deadhead from RIC - DFW the following morning. The first available flight(s) (direct or indirect, including deadhead) to get the pilot back to base is not scheduled to arrive until after the conclusion of the pilot's replacement flying window. Since the RIC - DFW flight the following morning is the first available flight(s) back to base, the pilot has been rescheduled in accordance with Section 4. [C.2.c.\(2\)](#).

Example - a pilot is scheduled to fly the second to last flight of the day from MCO - DFW on day three of a three-day sequence. The pilot's MCO - DFW flight cancels due to a mechanical. The pilot is QLA for the first available flight(s) (direct or indirect, including deadhead) to get the pilot back to base, but is instead reassigned to spend the night in MCO and operate the third flight from MCO - DFW the following morning. Since the pilot is reassigned, premium pay provisions shall apply.

4-29. Q. *May the Company proffer and voluntarily award replacement flying that finishes beyond the replacement flying window?*

A. Yes. The pilot, at their option, if proffered by the Company, may accept replacement flying that finishes beyond the replacement flying window. In this case, premium pay provisions shall not apply for the initial replacement flying assignment. If the pilot is subsequently reassigned while performing replacement flying, the applicable premium pay provisions shall apply.

4-30. Q. *May a pilot decline a replacement flying assignment and forfeit the applicable sequence protection for the cancelled sequence prior to sign-in or post sign-in (prior to departure of the first flight) at time of notification of sequence cancellation?*

A. Yes, with mutual agreement between the Company and the pilot. The pilot's PROJ and PPROJ will be lowered by the value of the cancelled sequence. Agreement by the Company shall not be unreasonably withheld.

Notification and Contact Requirements

4-31. Q. *May the Company assign replacement flying upon notification of sequence cancellation, if the cancellation occurs the day prior (or earlier) to sequence origination and prior to DOTC?*

A. No. In this case, the pilot's obligation is to be contactable during DOTC (the day prior to sequence origination) for the assigning of replacement flying.

4-32. Q. *When is a pilot whose sequence cancels the day prior (or earlier) to sequence origination and prior to DOTC contactable for the assigning of replacement flying?*

A. The pilot shall default to being contactable during DOTC the day prior to sequence origination.

4-33. Q. *When is a pilot whose sequence cancels the day prior to sequence origination and during DOTC contactable for the assigning of replacement flying?*

A. The pilot shall be contactable for the remainder of DOTC, or the cancellation notification window, whichever is later.

Example - a pilot's sequence on the 15th is cancelled at 15:00 on the 14th. The pilot shall be contactable for the remainder of DOTC, or the cancellation notification window, whichever is later. Since DOTC ends at 15:00 HBT, the pilot is contactable until 18:00 HBT.

Example - a pilot's sequence on the 15th is cancelled at 12:30 on the 14th. The pilot shall be contactable for the remainder of the cancellation notification window, which ends at 15:30 HBT.

4-34. Q. *When is a pilot whose sequence cancels the day prior to sequence origination but after DOTC contactable for the assigning of replacement flying?*

A. The pilot shall be contactable during the three (3) hour cancellation notification window.

4-35. Q. *To preserve seniority for the assignment of Replacement Flying (pre-sign in), when must a pilot return a call from Crew Scheduling?*

A. TBD during implementation.

4-36. Q. *If a pilot whose sequence cancels prior to sign-in is not assigned replacement flying during DOTC or the Cancellation Notification Window (whichever is applicable), when is the pilot contactable next for the assigning of replacement flying?*

A. The pilot may only be assigned replacement flying during the next and subsequent DOTC window(s).

Example - a pilot is notified of a Domestic Sequence cancellation at 20:00 HBT on the 15th, for a three-day sequence originating (OUT) at 10:00 HBT on the 16th and finishing at 17:00 HBT on the 18th. The pilot is not assigned replacement flying by the conclusion of the cancellation notification window. The pilot shall not be contactable for the assigning of replacement flying until DOTC on the 16th for replacement flying on the 17th. If the pilot is not assigned replacement flying during DOTC on the 16th for replacement flying on the 17th, the pilot shall not be contactable for the assigning of replacement flying until DOTC on the 17th for replacement flying on the 18th. If the pilot is not assigned replacement flying during DOTC on the 17th for replacement flying on the 18th, the pilot shall have no further replacement flying obligation for the cancelled sequence.

Example - a pilot is notified of a Trans-Oceanic International Sequence cancellation at 17:00 HBT on the 15th, for a four-day sequence originating (OUT) at 22:00 HBT on the 15th and finishing at 05:00 HBT on the 18th. The pilot is not assigned replacement flying during the cancellation notification window and shall be released for the day. The pilot shall not be contactable for the assigning of replacement flying until DOTC on the 16th for replacement flying on the 17th. If the pilot is not assigned replacement flying during DOTC on the 16th for replacement flying on the 17th, the pilot shall not be contactable for the assigning of replacement flying until DOTC on the 17th for replacement flying on the 18th. If the pilot is not assigned replacement flying during DOTC on the 17th for replacement flying on the 18th, the pilot shall not be contactable for the assigning of replacement flying until DOTC on the 18th for replacement flying on the 19th. If the pilot is not assigned replacement flying during DOTC on the 18th for replacement flying on the 19th, the pilot shall have no further replacement flying obligation for the cancelled sequence.

Example - a pilot is notified of a Domestic Sequence cancellation at 08:00 HBT on the 15th, for a three-day sequence originating (OUT) at 14:00 HBT on the 16th and finishing at 14:00 HBT on the 18th. The pilot is not assigned replacement flying during DOTC on the 15th for replacement flying on the 16th. The pilot shall not be contactable for the assigning of replacement flying until DOTC on the 16th for replacement flying on the 17th. If the pilot is not assigned replacement flying during DOTC on the 16th for replacement flying on the 17th, the pilot shall not be contactable for the assigning of replacement flying until DOTC on the 17th for replacement flying on the 18th. If the pilot is not assigned replacement flying during DOTC on the 17th for replacement flying on the 18th, the pilot shall have no further replacement flying obligation for the cancelled sequence.

4-37. Q. *Will the Company attempt to contact a pilot between 00:00 and 07:00 HBT to notify the pilot of sequence cancellation pre sign-in at domicile?*

A. The Company will delay making phone contact as late as possible in this time frame, so as not to disturb pilot rest.

4-38. Q. *A pilot's sequence cancels the day of sequence origination between 00:00 and 07:00. May the Company assign the pilot replacement flying without making first person contact?*

A. Yes, as long as the pilot is assigned replacement flying within the applicable cancellation notification window, which must include an electronic time stamp of the time of cancellation and the time of assignment of replacement flying.

Example - a pilot's sequence cancelled at 01:00 HBT during regular operations. If the pilot is not assigned replacement flying by 04:00 HBT, the pilot shall be released for that day.

4-39. Q. *A pilot's sequence cancels the day of sequence origination between 00:00 and 07:00. May the pilot contact the Company to acknowledge the cancellation and any replacement flying assignment (within the cancellation notification window)?*

A. Yes. Nothing prevents the pilot who notices their sequence has cancelled from contacting the Company to acknowledge the sequence cancellation and any replacement flying assignment (within the cancellation notification window).

4-40. Q. *A pilot's sequence is cancelled at domicile (post sign-in prior to departure of first flight or mid-sequence). What is the pilot's obligation to be contactable for replacement flying?*

A. The pilot will remain promptly available for assignment to replacement flying for four (4) hours after the originally scheduled sequence sign-in time (after originally scheduled departure time, if mid-sequence), or one (1) hour after the cancellation is known, whichever is later.

Example - a pilot is post sign-in at domicile on the 10th (prior to departure of the first flight of a three-day sequence). The pilot's originally scheduled sequence sign-in time was 07:00 HBT. The pilot encounters a rolling maintenance delay and the flight is cancelled at 09:30 HBT. The Company has until 11:00 HBT to assign the pilot replacement flying. If not assigned replacement flying by 11:00 HBT, the pilot shall be released for the day and the pilot's obligation is to be contactable during DOTC on the 10th for replacement flying commencing on the 11th.

Example - a pilot is post sign-in at domicile on the 7th (prior to departure of the first flight of a three-day sequence). The pilot's originally scheduled sequence sign-in time was 13:00 HBT. The pilot encounters a rolling ATC delay and the flight is cancelled at 17:00 HBT. The Company has until 18:00 HBT to assign the pilot replacement flying. If not assigned replacement flying by 18:00 HBT, the pilot shall be released for the day and the pilot's obligation is to be contactable during DOTC on the 8th for replacement flying commencing on the 9th.

Example - a pilot flying a Domestic Sequence is mid-sequence at domicile on the 20th (day two of a three-day sequence). The pilot's originally scheduled departure time was 18:00 HBT. The pilot's flight is cancelled at 19:00 HBT. The Company has until 22:00 HBT to assign the pilot replacement flying. If not assigned replacement flying by 22:00

HBT, the pilot shall be released for the remainder of the sequence with no further replacement flying obligation.

4-41. Q. *A pilot's sequence is cancelled away from domicile while on duty. What is the pilot's obligation to be contactable for replacement flying?*

A. The pilot will remain contactable for assignment to replacement flying for the duration of the originally scheduled duty period. If at the airport when sequence cancellation occurs, the crew will not be unreasonably held at the airport without expectation of departure within a reasonable period of time.

4-42. Q. *A pilot's sequence is cancelled away from domicile while on layover. What is the pilot's obligation to be contactable for replacement flying?*

A. The provisions of [Section 15.B.3](#) shall apply. A pilot, while on layover, is not required to be available for duty any earlier than the next originally scheduled duty period.

Section 5 - Use of Reserve Pilot Sequences

4-43. Q. *May a reserve pilot be involuntarily removed from a previously awarded/assigned sequence prior to sign-in?*

A. Yes, but only if notified more than two (2) hours prior to the originally scheduled sign-in time.

4-44. Q. *May a reserve pilot be voluntarily removed from a previously awarded/assigned sequence within two (2) hours of sign-in?*

A. Yes, with the reserve pilot's concurrence.

4-45. Q. *What is a reserve pilot's obligation if removed from a sequence prior to sign-in?*

A. If a reserve pilot is removed from their sequence pre-sign in, the reserve pilot will be contactable for the remainder of the pilot's RAP.

4-46. Q. *May a reserve pilot be removed from a sequence post sign-in, but prior to departure on the first flight of the sequence?*

A. No, unless mutually agreed. If mutually agreed, the reserve pilot is paid in accordance with [Section 15.H](#). If not agreed, the reserve pilot must fly or deadhead at least one (1) flight prior to removal from the remainder of the sequence. The reserve pilot will receive applicable pay and credit in accordance with [Section 15.E](#), [F](#), and [G](#), based upon the number of duty periods completed at the time of removal.

4-47. Q. *May a reserve pilot be removed mid-sequence?*

A. Yes. The reserve pilot will receive applicable pay and credit in accordance with [Section 15.E](#), [F](#), and [G](#), based upon the number of duty periods completed at the time of removal.

Section 6 - Procedures for Assigning Replacement Flying

4-48. Q. *What are the procedures to assign replacement flying in the event that multiple sequences are available during DOTC or the Cancellation Notification Window (pre sign-in)?*

A. Crew Schedule shall follow the procedures to assign replacement flying in accordance with Section 4.C.6.a.(1) through (5), starting with the most senior pilot.

4-49. Q. *What are the procedures to assign replacement flying during the Cancellation Notification Window (post sign-in or mid-sequence)?*

A. Crew Tracking shall, to the maximum extent possible, assign replacement flying that best matches the hours of obligation and the footprint of the affected sequence.

4-50. Q. *If a pilot who is eligible to be assigned replacement flying during DOTC has failed to put in a preference ballot, how will the pilot be assigned replacement flying?*

A. If the pilot is able to pass to more junior QLA pilots eligible for replacement flying, they will be bypassed. If the pilot is not able to pass, the pilot shall be assigned a replacement flying sequence that best matches the hours of obligation and footprint of the cancelled sequence.

4-51. Q. *How will a pilot be assigned replacement flying during DOTC?*

A. During DOTC, if the pilot has filled out the preference ballot, the pilot will be assigned any sequence they are QLA that is within one (1) hour of the cancelled sequence value, provided it does not result in the loss of availability for another pilot eligible for replacement flying.

Example - Pilot "A" has a Trans-Oceanic four-day International Sequence cancel the day prior and before DOTC. At the start of DOTC, the open sequences are as follows; three (3) three-day sequences and two (2) four-day sequences. There are five other pilots eligible for replacement flying, all of whom are QLA for the five open sequences and are junior to Pilot "A". Pilot "A" may pass the five open sequences to the junior pilot. If another sequence does not become available that Pilot "A" is QLA by the end of DOTC, Pilot "A" shall be contactable during the next DOTC.

Example - Pilot "A" has a Trans-Oceanic four-day International Sequence cancel the day prior and before DOTC. At the start of DOTC, the open sequences are as follows; three (3) three-day sequences and two (2) four-day sequences. There are three other pilots eligible for replacement flying (all junior to Pilot "A"), but they are only QLA for the three-day sequences. Pilot "A" shall be assigned one of the four-day sequences. If both of the four-day sequences are within one (1) hour (plus or minus) of the cancelled sequence value, Pilot "A" will be able to select the four-day sequence of their choice. If both of the four-day sequences are not within one (1) hour (plus or minus) of the cancelled sequence value, the pilot will be assigned the four-day sequence that best matches the hours of obligation and the footprint of the cancelled sequence.

Example - Pilot "A" has a three-day Domestic Sequence cancel the day prior and before DOTC. At the start of DOTC, the open sequences are as follows; two (2) three-day sequences and two (2) two-day sequences. There are three other pilots eligible for replacement flying (all junior to Pilot "A"), all of whom are QLA for the three-day and two-day sequences. The pilot may proffer and shall be awarded, in seniority order, one of the three-day sequences or one of the two-day sequences. If the pilot fails to put in a preference ballot (or notify Crew Schedule of their preferences) for any of the sequences, the Company shall inversely assign Pilot "A" to the sequence that best matches the hours of obligation and the footprint of the cancelled sequence.

Example - Pilot "A" has a three-day International Sequence (not Trans-Oceanic) cancel the day prior and during DOTC. At the time of notification of sequence cancellation, the open sequences are as follows; three (3) two-day sequences and one (1) four-day sequence. There are two other pilots eligible for replacement flying. Pilot "B" is eligible and QLA for any of two-day sequences and Pilot "C" is eligible and QLA for all of the open sequences. Pilot "C" is the most senior pilot, then Pilot "B" and Pilot "A" is the most junior. Since Pilot "B" and Pilot "A" are not QLA for the four-day sequence, Pilot "C" shall be

assigned the four-day sequence. Pilot "B" will be able to select any of the two-day sequences that are within one (1) hour (plus or minus) of the cancelled sequence value. If none of the two-day sequences are within one (1) hour of the cancelled sequence value, the pilot will be able to select any of the two-day sequences, regardless of value. Pilot "A" will then follow the same procedures for the two remaining two-day sequences.

- 4-52. Q. *If during the assigning of replacement flying (during DOTC), the number of QLA replacement flying pilots (in the same block) exceeds the number of open sequences (in the same block), does the senior pilot(s) have the ability to pass to more junior pilot(s) on those trips in the same block.*

A. Yes. However, if there are still open trips in a lower block number, the senior pilot(s) shall be awarded/assigned one of the remaining open sequences based on the pilot's preference ballot. If the pilot fails to submit a preference ballot, they will be assigned a sequence that best matches the hours of obligation and the footprint of the cancelled sequence.

Example - Pilot "A" has a four-day Domestic Sequence cancel the day prior and before DOTC. At the start of DOTC, the open sequences are as follows; one (1) three-day sequences and two (2) four-day sequences. There are two other pilots eligible for replacement flying. Pilot "B" and Pilot "C" are eligible and QLA for both four-day sequences. Pilot "A" is the most senior pilot, then pilot "B" and Pilot "C" is the most junior. Since Pilot "B" and Pilot "C" are eligible and QLA for the four-day sequences, Pilot "A" may pass the four-day sequences to Pilot "B" and Pilot "C". If Pilot "A" passes the four-day sequences, Pilot "A" shall be assigned the three-day sequence (assuming QLA) as replacement flying.

Example - Pilot "A" has a four-day Domestic Sequence cancel the day prior and before DOTC. At the start of DOTC, the open sequences are as follows; two (2) three-day sequences and one (1) four-day sequences. There are two other pilots eligible for replacement flying. Pilot "B" and Pilot "C" are eligible and QLA for only the three-day sequences. Pilot "A" is the most senior pilot, then pilot "B" and Pilot "C" is the most junior. Since Pilot "B" and Pilot "C" are only eligible and QLA for the three-day sequences, Pilot "A" shall be assigned the four-day sequence (assuming QLA). Pilot "B" and Pilot "C" shall exercise seniority (if able) for the three-day sequences.

Section 7 - Illegalities

- 4-53. Q. *May the Company assign a pilot to replacement flying that will knowingly cause an FAR or contractual illegality with the pilot's next sequence(s) at the time of assignment?*

A. Yes.

- 4-54. Q. *If the Company assigns replacement flying that causes an FAR or contractual illegality with the pilot's next sequence(s), when must the illegality be resolved or the pilot removed (paid and uncredited) from the illegal sequence(s)?*

A. Normally, the Company shall resolve the illegality at the time of assignment of the replacement flying. If the illegality is not resolved at the time of the replacement flying assignment, the pilot shall be removed paid and uncredited from the illegal sequence(s). The pilot shall have no replacement flying obligation for the removed sequence(s).

EXCEPTION: During schedule disruptions due to events not within the control of the Company (e.g., severe weather, natural disasters, ATC system disruptions or other system disruptions), the Company shall resolve the illegality within eight (8) hours or termination (IN) time of the replacement flying assignment, whichever is earlier.

4-55. Q. *If the Company assigns replacement flying that causes an FAR or contractual illegality with the pilot's next sequence(s), how will the Company eliminate the illegality?*

A. The Company has the option to eliminate the illegality through partial sequence modification or reassignment. If the illegality is not resolved, the pilot shall be removed paid and uncredited from the illegal sequence(s). The pilot shall have no replacement flying obligation for the removed sequence(s).

Example #1 - a pilot has a sequence worth 17:00 hours that is cancelled the day prior to sequence origination. During DOTC, the pilot is assigned replacement flying worth 17:30 hours, which conflicts with the pilot's next sequence, worth 10:00 hours. The illegality is not repaired. The pilot is removed from the conflicted sequence without any replacement flying obligation. How is the pilot paid and credited?

The pilot is paid for the greater of:

1. The combined value of the cancelled sequence plus the sequence(s) removed because of illegality, or
2. The value of the replacement sequence.

In this example the pay is 27:00 hours.

The pilot is credited for the greater of:

1. the value of the cancelled sequence, or
2. the value of the replacement sequence

In this example the pilot is credited for 17:30 hours

Example #2 - a pilot has a sequence worth 10:00 hours that is cancelled the day of sequence origination. During the cancellation notification window, the pilot is assigned replacement flying worth 15:00 hours, which conflicts with the pilot's next sequence, worth 5:30 hours. The illegality is not repaired. The pilot is removed from the conflicted sequence without any replacement flying obligation. How is the pilot paid and credited?

The pilot is paid for the greater of:

1. The combined value of the cancelled sequence plus the sequence(s) removed because of illegality, or
2. The value of the replacement sequence.

In this example the pay is 15:30 hours.

The pilot is credited for the greater of:

1. the value of the cancelled sequence, or
2. the value of the replacement sequence

In this example the pilot is credited for 15:00 hours

Example #3 - a pilot has a three-day sequence worth 16:00 hours that is cancelled mid-sequence on day two. The pilot is assigned replacement flying which conflicts with the pilot's next sequence, worth 12:00 hours. The pilot is removed from the conflicted sequence without any replacement flying obligation. How is the pilot paid and credited?

The pilot is paid for the greater of:

1. The combined value of the cancelled sequence plus the sequence(s) removed because of illegality, or
2. The value of the replacement sequence.

In this example the pay is 28:00 hours.

The pilot is credited for the greater of:

1. the value of the cancelled sequence, or
2. the value of the replacement sequence

In this example the pilot is credited for 16:00 hours

Example #4 - a pilot has a sequence worth 15:00 hours that is cancelled the day of sequence origination. During the Cancellation Notification Window, the pilot is assigned replacement flying worth 15:00 hours, which conflicts with the pilot's next sequence, worth 15:00 hours. The illegality is repaired by modifying the pilot's next sequence through the removal of the first round trip, worth five (5) hours. The pilot flies the remainder of the modified sequence, which is worth 10:00 hours. How is the pilot paid and credited?

The pilot is paid the combined value of the cancelled sequence plus the value of the pilot's next sequence at the time of initial award or assignment:

1. In this example the pay is 30:00 hours.

The pilot is credited as follows:

1. The value of the cancelled sequence, and
2. The value of what the pilot flew (including pay and credit) for the modified sequence

In this example the pilot is credited for 25:00 hours

Example #5 - a pilot has a sequence worth 10:00 hours that is cancelled the day of sequence origination. During the Cancellation Notification Window, the pilot is assigned replacement flying worth 12:00 hours, which conflicts with the pilot's next sequence, worth 12:00 hours. The illegality is repaired by modifying the pilot's next sequence through the removal of the first round trip, worth two (2) hours. The pilot flies the remainder of the modified sequence, which is worth 10:00 hours. How is the pilot paid and credited?

The pilot is paid the combined value of the replacement flying sequence plus the value of the pilot's next sequence at the time of initial award or assignment:

1. In this example the pay is 24:00 hours.

The pilot is credited as follows:

1. The value of the replacement flying sequence, and
2. The value of what the pilot flew (including pay and credit) for the modified sequence

In this example the pilot is credited for 22:00 hours

4-56. Q. *May the Company proffer and voluntarily award replacement flying outside of the replacement flying window that will cause an illegality with the pilot's next sequence(s)?*

A. Yes. The pilot shall be removed paid and uncredited from the illegal sequence(s). The pilot shall have no replacement flying obligation for the removed sequence(s).

4-57. Q. *May a pilot proffer for and be awarded replacement flying that will cause an illegality with a pilot's next sequence(s)?*

A. No.

4-58. Q. *May a pilot be reassigned during replacement flying if the reassignment results in an illegality with the pilot's next sequence(s)?*

A. Yes. Crew Schedule/Tracking has the option to eliminate the illegality through partial sequence modification or reassignment at the time of the replacement flying assignment causing the illegality. If the illegality is not resolved, the pilot shall be removed paid and uncredited from the illegal sequence(s). The pilot shall have no replacement flying obligation for the removed sequence(s).

Example #1 - a pilot has a sequence worth 17:00 hours that is cancelled. The pilot is assigned replacement flying worth 14:00 hours. While on the replacement flying sequence, the pilot is reassigned to flying worth 18:00, which conflicts with the pilot's next sequence, worth 10:00 hours. The illegality is not repaired at the time of assignment. The pilot is removed from the conflicted sequence without any replacement flying obligation. How is the pilot paid and credited?

The pilot is paid for the greater of:

1. The combined value of the cancelled sequence plus the sequence(s) removed because of illegality, or
2. The value of the replacement sequence.

In this example the pay is 27:00 hours.

The pilot is credited for the greater of:

1. the value of the cancelled sequence, or
2. the value of the replacement sequence

In this example the pilot is credited for 18:00 hours

4-59. Q. *If a pilot is assigned replacement flying beyond the sequence footprint (within the replacement flying window), is the pilot eligible for the 50 percent premium pay reassignment provision.*

A. No. In this case, a pilot is not eligible for the 50 percent premium pay reassignment provision.

4-60. Q. *If a pilot is assigned replacement flying beyond the sequence footprint (and beyond the replacement flying window), is the pilot eligible for the 50 percent premium pay reassignment provision.*

A. If the pilot is rescheduled in accordance with Section 4. [C.2.c.\(2\)](#), the pilot is not eligible for the 50 percent premium pay reassignment provision. If the pilot is reassigned, the pilot is eligible for the 50 percent premium pay reassignment provision.

4-61. Q. *If a pilot is initially assigned replacement flying beyond the sequence footprint (of the originally cancelled sequence), but within the replacement flying window and is then subsequently reassigned to flying also beyond the sequence footprint (of the originally cancelled sequence), is the pilot eligible for the 50 percent premium pay reassignment provision for all pay and credit beyond the original sequence footprint?*

A. Yes, the pilot shall be paid the greater of the value of the original sequence or the value of the reassignment, plus a 50 percent premium for all pay and credit beyond the original sequence footprint.

Example - a pilot's original sequence was worth 15:00 hours. The pilot is assigned replacement flying within the replacement flying window that is worth 18:00 hours. The pilot is subsequently reassigned to flying worth 18:00 hours, of which four (4) hours is flown outside of the original sequence footprint. The pilot is paid and credited for 20:00 hours. 18:00 hours for the value of the reassignment plus a two (2) hour reassignment premium for flying beyond the originally scheduled sequence footprint.

Example - a pilot's original sequence was worth 15:00 hours. The pilot is assigned replacement flying within the replacement flying window that is worth 18:00 hours. The pilot is subsequently reassigned to flying worth 12:00 hours, of which two (2) hours is flown outside of the original sequence footprint. The pilot is paid and credited for 16:00 hours. 15:00 hours for the original sequence value plus a one (1) hour reassignment premium for flying beyond the originally scheduled sequence footprint.

4-62. Q. *A pilot is assigned replacement flying that does not cause an FAR or contractual illegality with the pilot's next sequence(s) at the time of assignment. During the replacement flying the pilot is rescheduled in accordance with Section 4. [C.2.c.\(2\)](#). and is*

now illegal for the pilot's next sequence(s). The pilot is then removed from the illegal sequence(s). How is the pilot paid and credited and what is their obligation for the removed sequence(s)?

A. The pilot is paid and credited for the removed sequence(s) with replacement flying obligation.

- 4-63. Q. *A pilot is assigned replacement flying that does not cause an FAR or contractual illegality with the pilot's next sequence(s) at the time of assignment. During the replacement flying the pilot overflies and is now illegal for the pilot's next sequence(s). The pilot is then removed from the illegal sequence(s). How is the pilot paid and credited and what is their obligation for the removed sequence(s)?*

A. The pilot is paid and credited for the removed sequence(s) with replacement flying obligation.

- 4-64. Q. *If a pilot is removed from a third consecutive sequence due to previous reschedules or overfly during replacement flying, what is a pilot's replacement flying obligation for the 3rd removed sequence?*

A. The pilot's replacement flying obligation is the originally scheduled footprint of the 3rd removed sequence.

Example - a pilot's sequence on the 8th and 9th is cancelled. During replacement flying, the pilot is rescheduled causing a conflict with the pilot's sequence on the 10th and 11th. The pilot is removed from the sequence on the 10th and 11th with replacement flying obligation. During replacement flying on the 10th and 11th, the pilot is once again rescheduled causing a conflict with the pilot's sequence on the 12th and 13th. The pilot's replacement flying obligation for the removed sequence on the 12th and 13th is the sequence footprint as defined in Section [4.C.2.e](#).

- 4-65. Q. *A pilot scheduled to fly a two-flight, three-day Trans-Oceanic sequence has the return flight to base cancel prior to departure from domicile. Can the Company assign the pilot to a return flight outside of the replacement flying window?*

A. Yes. If the pilot is rescheduled in accordance with Section 4. [C.2.c.\(2\)](#). If the pilot is reassigned, premium pay provisions shall apply.

Example - a pilot scheduled to fly DFW - NRT - DFW has the NRT - DFW flight cancel prior to departure from DFW. The flights from NRT - DFW, NRT - LAX and NRT - ORD are cancelled for the next two days due to volcanic activity. The first available flight(s) to get the pilot back to base are not scheduled to arrive until after the conclusion of the pilot's replacement flying window. If the Company reschedules the pilot in accordance with Section 4.C.2.c.(2), the pilot will be removed paid and credited from any conflicting sequence(s) with replacement flying obligation. If the pilot is reassigned, premium pay provisions shall apply. The pilot will be removed paid and uncredited from any conflicting sequence(s) with no replacement flying obligation.

- 4-66. Q. *A pilot scheduled to fly a two-flight, three-day Trans-Oceanic sequence (DFW - NRT - DFW) has the return flight to base cancel while on layover. Can the Company assign the pilot to a return flight(s) beyond the replacement flying window?*

A. Yes. If the pilot is rescheduled in accordance with Section 4. [C.2.c.\(2\)](#). If the pilot is reassigned, premium pay provisions shall apply.

Example - a pilot scheduled to fly DFW - NRT - DFW has the NRT - DFW flight cancel while on layover in NRT. The first available flight(s) (either direct or indirect, including deadhead) to get the pilot back to base is not scheduled to arrive until after the conclusion of the pilot's replacement flying window. If the Company reschedules the pilot in accordance with Section 4.C.2.c.(2), the pilot will be removed paid and credited from any

conflicting sequence(s) with replacement flying obligation. If the pilot is reassigned, the premium pay provisions shall apply. The pilot will be removed paid and uncredited from any conflicting sequence(s) with no replacement flying obligation.

SECTION 5
PAY AND CREDIT
PILOT RELIEVED OF FLYING DUTIES

A. Pay - General [See Q&A [15-28](#), [15-30](#)]

The pay provisions of this Section shall apply to a pilot who is relieved of scheduled flying duties for any of the following reasons:

1. Sick leave not in excess of accrued sick leave, as provided in [Section 10](#) of this Agreement,
2. To engage in a training program other than training on a regular day off,
3. To serve as a juror in response to official summons.

B. Pay - Regularly Scheduled Pilot [See Q&A [15-28](#), [15-30](#)]

A regular scheduled pilot who is relieved of scheduled flying duties, as set forth in paragraph A. of this Section, shall receive pay on the basis of scheduled flight time, plus applicable credits, as provided under [Section 15.E](#), [15.F](#) and [15.G](#). of this Agreement, for the trips such pilot was scheduled to fly. [See Q&A [6-21](#), [15-2](#)]

C. Pay - Reserve Pilot

1. A reserve pilot who is relieved of a day(s) of reserve availability, as set forth in paragraph A of this Section, shall be paid and credited with one-eighteenth (1/18th) of reserve guarantee, at the applicable rate, for each day of reserve availability missed.
2. In no event may such pilot's total monthly earnings be less than:
 - a. seventy-three (73:00) hours of pay for a Long Call Reserve line, or
 - b. seventy-six (76:00) hours of pay for a Short Call Reserve lineat the pilot's base hourly rate.

D. Unpaid Absences

1. A regularly scheduled pilot's PROJ and PPROJ will be reduced by the scheduled value of any sequence(s), or part thereof, dropped by the pilot, excluding time lost as a result of a cancellation, illegality or misconnect.
2. A reserve pilot's guarantee will be reduced by one-eighteenth (1/18th) for each day of reserve availability missed.

E. Credit - Regularly Scheduled Pilot

For purposes of calculating a pilot's Individual Monthly Maximum (IMAX) a regularly scheduled pilot who is relieved of scheduled flying duties, as set forth in paragraph A. of this Section, or who is on unpaid leave of absence, shall be credited with the scheduled flight time, plus applicable credits, as provided under [Section 15.E.](#), [15.F.](#) and [15.G.](#) of this Agreement, for the trips such pilot was scheduled to fly.

F. Credit - Reserve Pilot

For purposes of [flight time](#) limitations, the credited projection (PROJ) of a reserve pilot who is relieved of a day(s) of reserve availability, as set forth in paragraph A. of this Section, or who is on unpaid leave of absence, shall be credited with one-eighteenth (1/18th) of reserve guarantee for each calendar day of the period of relief for each day of reserve availability missed:

G. Jury Duty Pay

A pilot who is paid for jury duty in accordance with the provisions of this Section will have deducted from such pay the amount of remuneration the pilot received for service as a juror.

H. Reserve Pilot - Military Leave of Absence

Pay for a reserve pilot who attends any military drill, or participates in any military activity, will be handled in accordance with the provisions of [Section 11](#).

I. Paper Legality

1. A pilot who is relieved from flying duties does not assume the legality of the flight(s) or trip sequence(s) from which removed for purposes of F.A.R. limitations or the rest provisions of [Section 15.C.](#), unless the removal is to deadhead to base earlier than scheduled, in accordance with [Section 15.C.5.f.](#) and [15.H.11](#). (removal code RA-AA) [See Q&A [6-21](#), [15-2](#)]
2. A pilot who is reassigned from one trip sequence to another trip sequence assumes the legality of the trip sequence actually flown for purposes of F.A.R. limitations or the rest provisions of [Section 15.C.](#)

SECTION 6

TRAINING

A. Supervisory Flying

1. When any supervisory pilot flies any flight producing revenue, the Company shall credit and pay full compensation at regular rates for such flight on a schedule basis, including [15.E.](#), [15.F](#) and [15.G](#). credits, to the pilot or pilots who were available and who should have flown such flight. Such pilot or pilots shall be afforded relief from duty in the same manner and to the same extent as though they had actually flown such flight as scheduled. All such flight time shall be recorded with the name of the supervisor, the name of the pilot replaced, the trip number and the scheduled flying time, and the Association shall be provided with such listing by the fifteenth (15th) day of the following month. [See Q&A [15-1](#), [6-4](#)]
2. When a supervisory pilot flies a flight producing revenue for which no pilot at the base can be considered available, the pay for such flight time will be apportioned among pilots on incentive pay at the base in order of system seniority. Apportionment will be made by adding pay for such flight time to each eligible pilot's pay projection (PPOJ) up to the monthly maximum, provided that a pilot who has been apportioned pay under this provision shall not be eligible for a similar application of this provision until all pilots on incentive pay junior at the base have been similarly treated. Apportionment shall be made, up to a maximum of ten (10) hours per pilot, provided such apportionment shall not be made, when such apportionment, when added to the pilot's pay projection (PPOJ), produces a total which does not exceed the guaranteed hours for the month. Supervisory flying under this paragraph shall be limited to one (1) trip sequence per month, or twenty-five (25) hours of flight time each month, whichever is greater, for each supervisor. All such flight time shall be recorded by base, with the name of the supervisor, the trip number, the scheduled flying time, the name of each pilot to whom such time was apportioned, and the amount of time apportioned to each pilot, and the Association shall be provided with such listing by the fifteenth (15th) day of the following month. [See Q&A [6-3](#), [6-4](#), [6-5](#), [6-6](#), [6-7](#), [6-8](#), [6-9](#), [6-10](#)]
3. A line pilot who is appointed to a supervisory pilot position during the course of a month shall have any credited time flown as a line pilot prior to such appointment apportioned among pilots at the base in accordance with C.2. above. Such pilot so appointed shall not return to a line position for the remainder of the month.
4. Supervisory flying, as contained in this Section, will be performed within category by pilots who have qualified in turn to such category.
5. Prior to the opening of monthly line bidding, the Company may select sequences as necessary for the purpose of accomplishing known Operating Experience (OE).
 - a. Such open trip sequences may be flown by a Check Airman conducting OE, a Management pilot conducting OE or a pilot requiring Operating Experience as necessary for accomplishing such operating experience.
 - b. Such trip sequences will be considered filled and not be subject to displacement pay. These trip sequences shall be returned to open time immediately upon discovery that they will not be needed for OE.
 - c. Additionally, the Company may select open trip sequences up to the start of Daily Open Time Coverage (DOTC)..
 - d. The Company shall provide the Association, by the fifteenth day of each contractual month with a report of the time selected and the time actually used for OE in the previous month.

B. Training [See Q&A [15-29](#), [6-13](#)]

1. a. A pilot in a training program, including required ground school training but excluding Distance Learning, shall be paid in accordance with the following, or the provisions of Section 5, whichever is greater.

- b. A regularly scheduled pilot who is scheduled for Continuing Qualification (i.e. requalification or recurrent training) training shall be paid four hours (4:00) per day and credited two hours and forty-five minutes (2:45) per day for each day of such training.
 - c. A reserve pilot who is scheduled for Continuing Qualification training shall be paid:
 - (1) four hours and three minutes (4:03) per day if awarded a Long Call Reserve line, or
 - (2) four hours and thirteen minutes (4:13) per day if awarded a Short Call Reserve line and credited two hours and forty-five (2:45) per day for each day of such training. Continuing Qualification training for reserve pilots will be scheduled on reserve available days.
 - d. A pilot in Qualification Training (i.e. initial, upgrade or transition training) for an entire contractual month will be paid the MALV for the pilot's bid status. (Q&A Example needed)
 - e. A pilot in Qualification Training for a partial month, with no scheduled reserve duty, will be paid for each day in training status a daily rate equal to the MALV for the bid status, divided by the number of days in the contractual month. (Q&A Example needed)
 - f. A pilot in Qualification Training for a partial month, with scheduled reserve duty, will be paid
 - (1) four hours and three minutes (4:03) per day if awarded a Long Call Reserve line, or
 - (2) four hours and thirteen minutes (4:13) per day if awarded a Short Call Reserve line for each reserve available day while in training status. The number of reserve available days while in training and OE status will be in accordance with the chart in Section 15. (Q&A Example needed)
 - g. The pay provisions of a. through f. above do not apply to a reserve pilot during any portion of a ten (10) hour required time off period extending beyond midnight into a calendar day off in which such pilot flies a sequence.
2. Requalification flights, including a take-off and landing, performed at the pilot's base will be compensated under the provisions of [Section 6.B.6.c.\(2\)](#). [See Q&A [6-17](#)]
 3. A regularly scheduled pilot may volunteer within category to displace another pilot on such pilot's trip sequence in order to maintain equipment qualification. The displaced pilot must concur and will be paid and credited on a scheduled basis for the trip from which removed. The displacing pilot will be removed from that pilot's regularly scheduled trip and be paid and credited for the trip actually flown or the trip from which removed, whichever is greater. [See Q&A [15-8](#), [6-2](#), [6-18](#), [6-19](#), [6-20](#), [6-21](#)]
 4. Pilots shall not receive flight time credit nor longevity, hourly, or deadhead pay for route checks, practice flights, training flights or check flights, other than those specified in this Section. However, when a proficiency check flight is interrupted while in progress at the pilot's base, due to the necessity to return the aircraft to the departure station or a co-terminal at the direction of Flight Dispatch, the pilot who is required to complete such proficiency check at a later date will be paid and credited four hours (4:00) at that pilot's hourly base rate for the interrupted proficiency check flight. Such pay shall be based on the equipment type involved in the interrupted check flight and is not subject to the IMAX.
 5. a. (1) For purposes of this Section only, any portion of a calendar day spent in deadheading to or from a training assignment shall be considered as a day in training, except that no more than one (1) day of training pay shall be paid for any calendar day. The provisions of this paragraph shall not be applicable to excess time away from home resulting from the pilot's request to be rescheduled to deadhead on a flight other than that for which legally scheduled or rescheduled by the Company.
 - (2) Training status shall begin with the first calendar day in training or the first calendar day involved in deadheading to the training location, whichever is earlier. Training status shall end with the off duty period or required time off at the completion of training, except as provided in [6.B.1.g](#).
 - b. For purposes of this Section, whenever the Company assigns a pilot to take an annual required Company physical examination at a base other than such pilot's base, such assignment shall be considered an assignment to training.

- c. The above pay and credit provisions shall not be applicable:
 - (1) To proficiency checks in the aircraft where there is no deadheading involved.
 - (2) However, a pilot who receives a proficiency check in connection with a ground school or simulator program at his Base (CLT Training Center, GSW(DFW), or PHX Training Center) shall receive training pay, as specified in this Section, for each day spent in training. This provision shall also apply to a pilot at any other base under the same training situation.

6. General Rules

- a. Pilots will be required to maintain qualification only in their current bid status, except that pilots will be required to acquire qualification in an awarded bid status.
- b. A pilot shall receive pay and credit as may be applicable under [Section 6](#) for any calendar day or portion thereof on which available for training at the location and is unable to engage in such training because it is canceled or postponed.
- c. (1) Pilots will receive at least five (5) days advance notice of all training, except that this may be shortened if the pilot consents.
 - (2) Requalification training may be given at the pilot's base, CLT Training Center, GSW, or PHX Training Center. In any event the pilot receives four hours (4:00) a day pay (4:03 for a Long Call Reserve line holder or 4:13 per day if a Short Call Reserve line holder if on reserve available day). The publishing of a trip award selected by a pilot which requires requalification training satisfies the notice required in c.(1) above.
- d. Simulator training periods shall not normally exceed four (4) hours per day (actually connected with the simulator).
- e. Aircraft training periods shall not normally exceed five (5) hours per day (actually connected with the aircraft).
- f. A pilot in training and who remains in training, shall, upon completion of each duty period, be scheduled for ten (10) hours off duty before being assigned to any further duty at the training location.
- g. A pilot will be given a copy of any proficiency report prepared for simulator or aircraft proficiency check(s).
- h. If a pilot's performance on a proficiency check in a flight simulator is considered unsatisfactory, the pilot shall not be prejudiced thereby, and shall have the opportunity of demonstrating proficiency in an aircraft of the type such pilot is currently flying. A proficiency check in an aircraft shall not be considered flight simulator training.
- i. Priority transportation will be provided over the Company's routes on trips designated by the Company.
- j. Flight simulator time shall not be considered as flight time for any purpose. Assignment to Company required flight simulator or aircraft training or checking shall be considered time on duty only for purposes set forth in [Section 15.C](#) of this Agreement.
- k. Duty periods for a pilot assigned to a training program shall not be scheduled for more than ten (10) hours, and such duty periods will not include any break which exceeds two and one-half (2-1/2) hours. An on duty period shall commence at the required reporting time or the actual reporting time, whichever is later, and run continuously for ten (10) hours.
- l. With the consent of the pilot involved, the duty period specified in k. above may be extended by a maximum of two (2) hours for the purpose of deadheading to the training location.
- m. The duty period specified in k. above will be extended one hour and forty-five minutes (1:45) on the final day of a training program only. Such duty period will be scheduled for eleven hours and forty-five minutes (11:45) and with the consent of the pilot involved may be extended for the purpose of deadheading to base.
- n. The duty period specified in k. above may be extended by a maximum of two (2) hours only for the purpose of deadheading a pilot from CLT Training Center, GSW, or PHX Training Center to participate in an airplane familiarization period at some other location.

- o. A pilot will not be scheduled for more than six and one-half (6-1/2) classroom hours per day on a five (5) day week basis during the ground school portion of equipment training.

7. Off duty Periods

- a. Notwithstanding the provisions of [Section 15.D.3](#) and [15.D.4.](#), a pilot who is assigned to a training program involving five (5) or more days of training shall be given one (1) period of forty-eight (48) consecutive hours free from all duty with the Company at the base at which undergoing training following each five (5) consecutive days of such training. Such pilot shall be given priority pass privileges to base to be used at the pilot's option during any such duty free period. A pilot who is assigned to a complete requalification training program consisting of six (6) consecutive days, shall, in lieu of a scheduled duty free forty-eight (48) hour period after five (5) consecutive days of such training be given two (2) calendar days free from all duty with the Company at the pilot's base, prior to resuming line flying duties.
- b. Following the last five (5) consecutive days of such training, in lieu of a scheduled duty free forty-eight (48) hour period, the pilot shall be given two (2) calendar days free from all duty with the Company at the pilot's base prior to resuming line flying duties.
- c. If there has not been five (5) consecutive days of such training, due to an intervening off duty break in b. above, a pilot shall have no less than twenty-four (24) hours free from all duty with the Company at the pilot's base prior to resuming line flying duties.
- d. In no case shall a pilot receive less than four (4) separate periods of forty-eight (48) consecutive hours free from all duty with the Company, one (1) of which must be at the pilot's base during any calendar month in which involved in such training program. When the training program involves less than five (5) days, a pilot shall receive the normal number of duty free periods as provided in [Section 15.](#)
- e. Notwithstanding the provisions of 7.a. above, the Company may, at its option, defer a pilot's scheduled duty free periods while assigned to such flight training program. To the extent that such scheduled duty free periods are deferred, the pilot, upon completion of such training, shall be given two (2) calendar days free from all duty with the Company at the pilot's base for each five (5) consecutive days spent in such training.
- f. (1) When the provisions of this Section 6.D.7. impose duty free requirements which delay a regular pilot's return to line flying, such pilot shall continue to receive training pay and credit in accordance with Section 5 or 6 as applicable until the completion of such duty free periods.
(2) When the provisions of Section 6.D.7. impose duty free requirements which delay a reserve pilot's return to line flying, such pilot shall receive:
 - (a) Credit in accordance with Section 5 or 6 as applicable, and
 - (b) Pay in accordance with Section 5 or 6 as applicable, whichever is greater, until the completion of such duty free periods.
- g. In no event shall a pilot receive less than twelve (12) hours free of all duty at the completion of a training program prior to resuming line flying duties.

8. Rule Application [See Q&A [6-12](#)]

- a. The Company may change a pilot's duty free period for the purpose of assigning such pilot to a requalification program. Such duty free period shall be replaced later in the month if required by the illustrations in this paragraph 8. Any trips missed or reserve available days missed due to such duty free period replacement shall be included in the accumulation of Section 5 pay and credit in the computation of pay for the training performed. [See Q&A [6-23](#)]
- b. For the purpose of this Section, any portion of a calendar day spent in deadheading to or from a training assignment shall be considered as a day in training; however, for the purpose of establishing required time off at the completion of a training program involving deadheading, the examples below shall constitute exceptions to the provisions of [Section 6.B.7.](#) Each example represents a complete training program. Examples (1) through (4) represent programs of less than five (5) days. Examples (5) through (9) represent programs of five (5) days or more, but with less than five (5) actual training (T) days.

Examples (10) through (13) represent programs of five (5) days or more which include five (5) or more actual training (T) days.

D = Deadhead

T = Training, Unscheduled, Canceled or Postponed Day

(1)	(2)	(3)	(4)	(5)	(6)	
D	D	D/T	D/T	D/T	D	
T	T	T	T	T	T	
D	T	T	T	T	T	
	D	D	T/D	T/D	T	
				D	D	
10 hrs.*	10 hrs.*	10 hrs.*	10 hrs.*	24 hrs.*	24 hrs.*	

(7)	(8)	(9)	(10)	(11)	(12)	(13)
D	D/T	D	D/T	D/T	D	D/T
T	T	T	T	T	T	T
T	T	T	T	T	T(24)	T
T	T	T	T	T	T	T
T	D	D	T/D	T	T	T
D		D		D	T	T/D
					D	
24 hrs.*	24 hrs.*	24 hrs.*	2 Cal. Days**	2 Cal. Days**	2 Cal. Days**	2 Cal. Days**

Example 12 presupposes that at some point in the training cycle, the pilot will receive twenty-four (24) hours free from all duty at the training location.

Example 13 refers only to a complete requalification training program consisting of six (6) consecutive days ([Section 6.B.7.a.](#)).

*Duty free periods may be moved for requalification training only. The normal number of duty free periods as provided in [Section 15](#) is required.

**Such training may be scheduled without regard to a forty-eight (48) hour off duty period during such training. A minimum of four (4) forty-eights (48's) is required during the month.

9. Training Cancellation

- If a pilot has been removed from a trip sequence due to planned training, the training is canceled, and the trip sequence is still open, the pilot can be returned to the sequence if given five (5) days notice prior to the beginning of the trip sequence or the training, whichever occurs first, or with three (3) days notice if the trip sequence or training is scheduled to begin on the first, second or third day of the contractual month.
- If a pilot has a training course of more than five (5) days cancelled, and the pilot cannot be reinstated to some or all of the trips from which removed, the pilot will be pay protected provided the pilot makes an attempt to makeup on those days the pilot was originally scheduled to fly.
- When a pilot is removed from a trip for training of five (5) days or less, if the training is cancelled and the pilot is not returned to the trip, the pilot will be paid and credited for the trip and, if necessary, the pilot's fly through credit will be adjusted.
- When a pilot is removed from a trip for training of five (5) days or less, performs makeup flying permitted by the training removal prior to the date of the training and is then reinstated to the trip after the training cancels, the pilot's fly through credit will be adjusted and any time made up in excess of the monthly maximum will be paid.

10. Notification of Training

Notification of training may be made by electronic means. An electronic means for providing training notifications does not preclude the Company from using conventional methods (e.g., U.S. mail, board mail, telephone, etc.) as it deems necessary.

11. Supplemental Training

Supplemental Training is defined as a one (1) day event to accomplish a simulator training program covering flight maneuvers and procedures.

- a. Pilots eligible for Supplemental Training are pilots requiring take-off and landing training for currency or requalification.
- b. Scheduling and pay for the Supplemental Training will be in accordance with this Agreement.
- c. The simulator session scheduled for the Supplemental Training will be of sufficient time to accomplish required maneuvers, but no longer than four (4) hours.
- d. In the event additional training is required to train the pilot to proficiency, the provisions of [Section 6.B](#) apply.

12. December 26th Training

To preclude crewmembers deadheading on Christmas Day, recurrent training on December 26th will normally be scheduled for crewmembers at the DFW base and for those crewmembers from other bases who can be scheduled for deadheading and recurrent training in one (1) duty period.

13. Vacation/Training Conflicts

a. [Qualification Training](#)

- (1) If multiple training periods are available, a pilot with a potential vacation/training conflict will be given a training period not in conflict with such pilot's scheduled vacation before such training period is made available to pilots without a potential vacation/training conflict.
- (2) If a vacation/training conflict does exist:
 - (a) The training shall take precedence over the vacation, if the training is required as a result of a bid status award and the time between the award and the effective date of the award is sixty (60) days or less.
 - (b) The vacation shall take precedence over the training, if the training is required as a result of a bid status award and the time between the award and the effective date of the award exceeds sixty (60) days. However, the pilot shall have the option of accepting the scheduled training.
 - (c) The vacation shall take precedence over the training, if the training is required as a result of a bid status assignment or displacement award, regardless of the date of the conflict. However, the pilot shall have the option of accepting the scheduled training.
- (3) When a pilot's vacation is rescheduled it shall be before or after the scheduled training, or selected from remaining vacation periods in the bid status awarded/assigned.
- (4) When a vacation/training conflict occurs at the end of a fiscal vacation year and the vacation cannot be rescheduled within the same fiscal vacation year, the vacation will not be moved and the training schedule will be adjusted accordingly.

b. Requalification and/or Recurrent Training

A pilot's scheduled vacation shall take precedence over required requalification and/or recurrent training. When a vacation/training conflict occurs, the training schedule will be adjusted accordingly.

C. Supervisory Flight Check

A pilot fully qualified except for the twenty-five (25) hour experience requirement or any Company required supervisory ride that is not required by the FAR who is denied a make up trip due to the unavailability of a supervisor shall be paid and credited for such denied trip. [See Q&A [6-25](#), [15-24](#), [15-25](#)]

D. Operating Experience [See Q&A [6-2](#), [6-22](#)]

1. Operating Experience (OE) is the required supervised flying activity of a pilot in line flying operations for qualification in a specific category, equipment and/or division. A pilot in OE status is not in training status and is not subject to the provisions of [Section 6.B](#).
2. For pilots qualifying in a specific category or equipment, OE status will commence following the completion of simulator training and the required off duty periods associated with such simulator training.
 - a. A break between simulator training and OE may be allowed wherein a crewmember will be returned to line flying. Such pilot will not be considered in an OE status while returned to line flying.
 - b. For a pilot in a Domestic Division bid status, OE status shall be scheduled to end no later than 18 days after commencement or upon the completion of required OE, whichever occurs first. For a pilot in an International Division bid status, OE status shall be scheduled to end no later than 23 days after commencement or upon the completion of required OE, whichever occurs first. The OE status may be extended to accommodate a need for additional proficiency training, or for circumstances beyond the control of the Company (Check Airman availability is considered within the Company's control). When the OE must be extended, it will end when the pilot is released for line flying.
 - c. Pilots will be paid and credited for OE status as follows:
 - (1) A regularly scheduled pilot will be paid the greater of the prorated MALV daily rate for each day scheduled in OE status, or the OE sequences actually flown.
 - (2) A regularly scheduled pilot will be credited the greater of 2:45 for each day scheduled in OE status, or the OE sequences actually flown.
 - (3) A reserve pilot in OE status will be paid the greater of
 - (a) 4:03 per day if awarded a Long Call Reserve line, or
 - (b) 4:13 per day if awarded a Short Call Reserve linefor each day of reserve availability missed (as determined by the chart in Section 15), or the OE sequences actually flown.
 - (4) A reserve pilot in OE status will be credited the greater of 2:45 for each day scheduled in OE status, or the OE sequences actually flown.
3. A pilot who is not scheduled for OE at the time that pilot's monthly schedule was awarded may be assigned trip sequences while in OE status. For scheduling purposes, while in OE status, the pilot will not be entitled to any DOs or DFPs (including Golden DFPs) on such pilot's bidline. Such pilot shall be paid and credited for the total of the OE trip sequences

flown or the total of the regularly scheduled trip sequences missed and/or any trips denied in makeup due to the unavailability of a Check Airman, whichever is greater.

4. Pilots will be eligible to bid for line sequences that commence after the estimated completion date of OE (i.e. the OE Planned Absence).
5. The rate of pay to be applied to the OE sequences flown shall be determined by the highest paying type of equipment contained in the crewmember's bidline award for that month, or the category and equipment contained in the OE trips flown, whichever is greater.
6. A pilot receiving OE as a Captain, and who at the time of OE is in a First Officer category (i.e. has not yet reached the effective date of the CA vacancy award), will not be considered in the Captain category nor will pay be prorated.
7. The Company may assign a pilot trip sequences, or use scheduled sequences on a pilot's bidline (if applicable), while in OE status.
8. The reassignment provisions of Section 15.N will apply in the event a pilot is reassigned while flying an OE.
9. Prior to the 6th day of the month prior to commencing OE , (or another mutually agreed to date), a pilot scheduled for training in the following contractual month shall coordinate with Flight Standards Scheduling any requests for days off such pilot would prefer to have during OE status. Such days off requests shall be honored to the extent possible, subject to any scheduling constraints encountered by Flight Standards Scheduling. A pilot in OE status shall be scheduled for no less than two (2) calendar days off in any seven (7) day period or no less than three (3) calendar days off immediately following six (6) consecutive days of OE.
10. Flight Standards Scheduling shall, upon request, provide a pilot in training with a preliminary schedule showing planned sequences, if known, available OE fly days and scheduled days off, prior to the end of the contractual month preceding the start of OE. Flight Standards Scheduling shall notify the pilot of any changes required to such schedule during the time the pilot remains in OE status.
11. A pilot who commences OE shall complete such OE prior to flying another category/ equipment. In the event it becomes necessary to deviate from this policy, it will only be done because of very unusual circumstances and the reasons therefore will be made known to the Association.

12. Pilots displaced for Operating Experience (OE)

A pilot who is displaced from his/her sequence in order for the Company to perform OE activity will be paid and credited for the sequence from which displaced.

Should the Company subsequently determine that it will not need the sequence for which the pilot has been displaced, the Company may assign the displaced pilot back onto his/her original sequence. Such assignment must occur prior to the earlier of:

- a. The end of the DOTC period, or
- b. Two (2) hours after displacement notification

If, after the earlier of a) or b) above, the Company determines that it will not use the sequence for OE, the displaced pilot will then be paid but uncredited for the displaced sequence. In this case, the Company will attempt to notify the displaced pilot of the uncredited status, and notify the Association of this occurrence.

13. Captain Flying as First Officer for Experience prior to Captain OE

The following procedures describe the treatment of any pilot, who during initial upgrade to Captain has successfully completed the Captain training course (including the Captain Type Rating), but has not begun the Captain OE.

At the request of the President of the Allied Pilots Association, the Vice President - Flight shall confer with the President of the Association and give serious consideration to permitting such pilot to fly as a First Officer on the pilot's upgrade equipment in order to acquire experience. The Vice President - Flight's approval shall not be unreasonably withheld in such cases.

If permitted to do such flying, the pilot shall complete the appropriate First Officer qualification course prior to beginning the First Officer OE. Additional simulator sessions shall be given if deemed necessary and appropriate by Flight Training. Following the completion of the first 90 days of flying as a First Officer, with the concurrence of the President of the Association and the Vice President - Flight, such pilot shall be permitted to fly for an additional 90 days as a First Officer on the same equipment.

Immediately following the First Officer flying referenced above, the pilot shall complete the appropriate Captain requalification course. Additional simulator sessions shall be given if deemed necessary and appropriate by Flight Training. Such pilot shall then be required to successfully complete the Captain OE.

Such pilot shall be paid rates of pay for the pilot's current bid status or the First Officer status to which assigned, whichever is greater. The pilot's lock-in shall commence on the first day of the first contractual month following successful completion of the Captain OE.

The provisions of this agreement may be utilized only so long as it does not result in the pilot failing to complete Captain OE by age 65.

14. All other provisions of the Basic Agreement governing line flying will apply.
15. It is the mutual intent of the Company and the Association to fully qualify pilots for their bid status in a timely manner, subject to the restrictions in Flight Manual Part 1.

E. Distance Learning

1. The Company will give consideration to input from the APA Training Committee in the continuing development of the policy, procedures and requirements of a Distance Learning program.
2. Distance Learning is defined as required training or required activities that are accomplished without being present in a classroom, flight training device, simulator or aircraft, and without instructor presentation or instructor proctoring in a physical classroom environment. Distance learning may include live classroom presentations presented over the internet.
3. Distance Learning shall include:
 - a. All Company learning programs required to be completed outside of a pilot's on-duty period related to a flight assignment (e.g. Value of Respect)
 - b. Learning related to [Qualification](#) or [Continuing Qualification](#) and/or any aircraft or operational specific training.
4. Distance Learning will not include any activities commonly associated with post sign-in preflight planning. Such activities include flight manuals updates, flight crew bulletins, flight operations bulletins and preflight planning for a particular flight. The parties agree the intent is to exclude activities currently being done post sign-in.
5. Distance Learning lessons that are considered pre-requisites for scheduled training or required activities must be completed prior to attending the scheduled training or commencing the follow-on activity. Distance Learning lessons that are not pre-requisites may be completed at any time within a specified completion period (due date) for each lesson.
6. The Company will provide computer access for Distance Learning purposes at each pilot Domicile, in addition to the Flight Academy. The Company will provide the tools and resources needed to effectively accomplish Distance Learning at these locations.
7. A pilot shall have the option of accomplishing all required Distance Learning lessons at their Domicile or at the AA Flight Academy. In the event a pilot elects to exercise this option, priority passes to and from the AA Flight Academy shall be provided in accordance with paragraph F, below. Hotel and TAFB expenses shall remain the responsibility of the pilot.
8. Instructors will be available at CLT Training Center, GSW, or PHX Training Center during 0900 - 1700 CT to answer questions and otherwise assist those pilots who are engaged in Distance Learning.
9. Pilots will be paid for the completion of all required Distance Learning at one-half (1/2) the pilot's base hourly pay rate. Time durations for completion of the required Distance Learning

assignments shall initially be determined by the Company, with input from the APA Training Committee Chairman, and monitored at regular intervals to ensure adequate time is allotted for the successful completion of each assignment.

F. Transportation, Expenses and Lodging for Pilots in Training

1. Priority Passes

Priority passes will be provided on American Airlines (AA), American Eagle (AE) and/or American Connection (AX) flights. A pilot scheduled for training will be provided the following priority travel from either the pilot's base or the American Airlines, American Eagle or American Connection station within the continental United States convenient to the pilot:

- a. Priority A1 to training;
- b. Priority A3 from training;
- c. Priority A3 during the pilot's Duty Free Periods (DFPs).

For those pilots who travel from outside the continental United States, a W1 pass will be provided instead of the above listed A category passes.

For scheduling purposes, a pilot's schedule will be constructed in accordance with the Basic Agreement, including travel to and from the pilot's base. Travel to and from the American Airlines, American Eagle or American Connection city convenient to the pilot will be on the pilot's own time and will not be considered for schedule legality.

2. Lodging and Expenses

Lodging and Expenses will be paid in accordance with Section 7.A.5 and 7.B.3 of the Basic Agreement.

G. Section 6 Questions and Answers

6-1. Q. *When observation time from the jumpseat is required, how is it scheduled and paid?*

A. Observation time required as part of Qualification Training will be paid and credited in accordance with Section 6.B.1.e. or f. as applicable. If the observation time is required for other than Qualification Training, the pilot will be paid and credited in accordance with Section 6.B.1.b. or c. as applicable. If a pilot volunteers to schedule the observation time on days off, the pilot will not be credited but will receive pay at the rate prescribed in Section 6.B.1.e or f as applicable.

6-2. Q. *A Reserve pilot will lose take-off and landing currency prior to the end of the current month. Rather than requalifying next month, is it permissible to allow displacement on a sequence or part of a sequence to retain the qualification?*

A. Yes.

6-3. Q. *When a management or supervisory pilot flies an open time sequence for which no pilot is legal and available to cover, how is this sequence paid?*

A. Flight time pay and credit for the sequence will be apportioned in order of seniority among those pilots at the base, up to each pilot's IMAX, or the Company Voluntary Limit (whichever is lower), based on the pilot's Projection (PROJ). The maximum hours of pay and credit assigned to a pilot will be ten (10) hours until all pilots assigned to the base have been apportioned time. Supervisory apportioned flying will be over and above a pilot's monthly guarantee. Supervisory apportioned flying must exceed a pilot's monthly guarantee and will be applied prior to any CPA fill up.

6-4. Q. *May a supervisor fly a co-terminal ferry flight?*

A. Yes. A co-terminal ferry flight should be filled using the normal procedures under Section 15.L.4. If no pilots are available, then a supervisor may fly such non-revenue ferry without the assignment of pay.

6-5. Q. *How does the limitation on supervisory flying under Section 6.C.2. work?*

A. Supervisory flying under Section 6.C.2. is limited to one (1) trip sequence or twenty-five (25) hours each month, whichever is greater, for each supervisor. Supervisors may be used for filling open time in accordance with Section 15.L.4.g. There is no limitation on supervisory displacement flying.

6-6. Q. *There is 32:02 of apportionment pay to be assigned at a base. How is this pay assigned assuming the pilots have the following amount of time available? (Assumes all pilots are regularly scheduled.)*

A.

Pilot	Pay Projection (PPROJ)	Lower of IMAX or Co. Vol. Limit	Max. Apport. Pay	Total Pay
A	83:00	94:00	10:00	93:00
B	87:30	93:00	5:30	93:00
C	94:00	94:30	00:30	94:30
D	78:00	104:00	10:00	88:00
E	84:59	91:01	06:02	91:01

6-7. Q. *How does the seniority rotation for apportionment work?*

A. Flight time apportionment pay will be awarded in order of seniority, from the senior Captain at the base to the junior First Officer at the base, until all apportionment pay is used. After the junior First Officer at the base has been assigned apportionment pay, go back to the senior Captain and start down the list again.

6-8. Q. *A pilot assumes a bid status and is senior to the level of pilots being paid apportionment pay. Will the Company go back and pick up this pilot when next awarding apportionment pay?*

A. No. This pilot must wait for a complete rotation of seniority at the base.

6-9. Q. *I am at a base that flies all equipment, and I am a junior 737 First Officer. I am next in turn for apportionment pay, and such apportionment pay is generated by a 777 Captain flying an International Sequence. What will I be paid?*

A. You will be paid 777 International Captain pay up to your IMAX or the Company Voluntary Limit (whichever is lower), but not exceeding ten (10) hours of apportionment pay. The reverse of this could also apply if it were 737 First Officer pay that was to be apportioned -- it could go to a 777 International Captain.

6-10. Q. *How is apportionment pay applied for a reserve pilot?*

A. A reserve pilot is treated the same as a lineholder pilot.

- 6-11. Q. *What is the effect if a pilot is scheduled for a training program of five (5) days but is not completed within that time period?*
- A. If, by the extension of the training program beyond five (5) days, a trip conflict is created, such missed trip shall be credited (Section 5.E.).
- 6-12. Q. *Can a reserve pilot be assigned a requalification training program that conflicts with a golden duty free period (DFP)?*
- A. The Company cannot move a golden DFP for any training program of six (6) days or less or any Company business without the reserve pilot's consent. The Company can move a golden DFP for transition, upgrade or long course requalification training program that is scheduled for seven (7) days or more.
- 6-13. Q. *May a pilot be trained in advance of occupying a bid status?*
- A. Yes, a pilot may be scheduled for training in advance of the effective date of a bid status.
- 6-14. Q. *May a line qualification be accomplished in the division opposite from the division in which the pilot is holding a trip selection?*
- A. Yes.
- 6-15. Q. *May a first officer who receives International training on a given piece of equipment use that International qualification after upgrading to captain?*
- A. No. A pilot may only use the International qualification within the category where the International training was obtained. An International qualification may not be used in a different category.
- 6-16. Q. *Can the Company use sequences from open time for the purpose of qualifying pilots in different divisions?*
- A. Yes. Outside of OE status, the Company can use open time trips for division qualification purposes, including for qualification into hit cities.
- 6-17. Q. *A pilot has lost or is about to lose currency for lack of landings. The pilot is scheduled for training at base. What is the pilot paid under the provisions of Section 6.D.6.c.(2)?*
- A. 4:00 pay. For regularly scheduled pilots, four hours (4:00) per day or the value of the trip(s) missed, whichever is greater. For reserve pilots, four hours and three minutes (4:03) if Long Call Reserve line holder, four hours and thirteen minutes (4:13) per day if Short Call Reserve line holder, for each reserve available day used for training.
- 6-18. Q. *A regularly scheduled pilot, is about to lose a qualification. May such pilot request to displace another pilot, in category, from a scheduled flight to maintain qualification?*
- A. Yes, such pilot may request, through the Base Manager/Chief Pilot, to displace another pilot, in category only, on that pilot's regular scheduled trip. Such pilot must be legal in all respects.
- 6-19. Q. *The pilot in the previous question gets approval from the Base Manager/Chief Pilot to displace another pilot, in category. What must be done?*
- A. Such pilot must get the approval of the pilot to be displaced. The displaced pilot must agree to be removed from the trip. Crew Schedule is notified and each pilot's activity record is adjusted.

6-20. Q. *Other than legality, is there a limit to the trip times involved in a qualification displacement?*

A. No, if all legality requirements are met and if the Base Manager/Chief Pilot gives approval, there is no limit.

6-21. Q. *What are the obligations of each pilot involved in the qualification displacement?*

A. The displaced pilot, once removed from the trip, is no longer obligated for such trip. Such pilot does not have to stand by for the trip departure. The pilot cannot be assigned any further duty until the completion of the scheduled debrief time associated with the trip sequence for which receiving pay and credit. Such pay and credit will be on a scheduled basis. The displacing pilot assumes the obligation to cover the displaced pilot's trip.

6-22. Q. *What is the obligation of a pilot that has been displaced off his/her flight(s) or sequence that the Company needs for Operating Experience (OE)?*

A. The Company may assign a pilot back to his/her original sequence prior to the conclusion of Daily Open Time Coverage (DOTC) or within two (2) hours following displacement notification, whichever is earlier. After this period, the pilot has no further obligation.

6-23. Q. *Must the Company secure prior agreement from a regular scheduled pilot prior to moving such pilot's scheduled duty-free period for recurrent training?*

A. Yes, the Company must have the pilot's consent prior to moving the scheduled duty-free period involved in such recurrent training. Movement of such pilot's duty-free period on the monthly Activity Record is not considered a proper method of securing such consent.

Note: Upon implementation of PBS, most training periods will be known at the time of PBS processing. In this case Duty-free periods will be placed on a pilot's schedule outside of any known training period(s).

6-24. Q. *Reserved*

6-25. Q. *May a pilot, who was scheduled for OE at the time that pilot's monthly schedule was awarded, pick-up a sequence that is scheduled to depart prior to that pilot's scheduled completion of OE?*

A. No.

SECTION 7

EXPENSES AWAY FROM BASE

When pilots are away from their bases on regular or special duty, they shall receive expenses as follows:

A. Lodging

1. Pilots, when at their regular layover, shall be furnished suitable single room lodging in a suitable location. There is no requirement for pilots to layover at same hotel as Flight Attendants.
2. Pilots, when at other than their regular layover, shall receive reasonable actual expenses for lodging consistent with the lodging conditions encountered.
3. Pilots, when scheduled, rescheduled or reassigned for on-duty rest periods in excess of five (5) hours block-in to block-out shall be furnished suitable single occupancy lodging in a quiet room in a suitable location.
4. Pilots scheduled for on-duty rest periods of at least five (5) hours or twice the number of hours of duty aloft preceding a duty break, whichever is greater, shall be furnished suitable single occupancy lodging in a quiet room in a suitable location.
5. Pilots, when in training, who:
 - a. reside outside of 50 miles from the training facility
 - (1) will be provided lodging during training, and
 - (2) if based at the city where the training facility is located:
 - (a) must advise the Base Manager – Flight that a hotel room will be required, and
 - (b) will not be provided a hotel room during scheduled 48-hour duty-free periods.
 - (3) will be provided a hotel room for the additional day if they cannot be legally scheduled to travel on the same day that training either commences or ends.
 - b. reside inside of 50 miles of the training facility will, upon request, be provided lodging
 - (1) for up to two (2) nights immediately preceding an Electronic Systems Validation (ESV)
 - (2) for up to two (2) nights immediately preceding a Type Rating (or equivalent) qualification event.
6. The following procedures will be used in the selection of hotel accommodations and associated transportation:
 - a. Representatives of the Association's National Hotel Committee shall meet quarterly with representatives of the Company's Flight Department, or more frequently, if needed, to review the suitability of hotel accommodations and associated transportation for pilots. The Association's National Hotel Committee will be provided a current list of all current or planned hotels showing the contract expiration date. The parties intend that the Association's National Hotel Committee representative(s) will consult with and make recommendations to the Flight Department on the selection and suitability of accommodations and associated transportation. The Company and the Association commit to jointly and carefully evaluate layover transportation, rest and nutrition facilities on an ongoing basis.
 - b. When changing or selecting accommodations, the Flight Department shall prepare a list of hotels being considered and provide such list to the Association. If requested, the Flight Department will also provide a list of all companies from whom bids were requested and all companies who submitted bids. Lists provided to the Association will not include any details or pricing information. The Association shall have the opportunity to add facilities to the list of those being considered. The parties shall jointly inspect the proposed facilities (including any added to the list by the Association). The Flight Department shall provide the Association with a minimum of fifteen (15) days notice of any city or cities to be reviewed.

- c. The parties shall jointly inspect the proposed facilities (including any added to the list by the Association). The Flight Department shall provide the Association with a minimum of fifteen (15) day notice to remove or add any city or cities to be reviewed.
 - d. The Association's Hotel Committee Chairman or Committee Member shall be released from flight duty to inspect any hotels contemplated under this Section 7. When the Company requests that an Association Hotel Committee member conduct hotel inspections in lieu of sending a Company representative, the full flight pay loss associated with the release shall be paid by the Company and the Hotel Committee member shall be provided with space positive on-line transportation in order to conduct the hotel inspection.
 - e. The Company shall provide space positive on-line transportation for one (1) Union Hotel Committee member for all hotel inspections.
 - f. The Flight Department shall confer with the Association's National Hotel Committee in the selection of hotel/motel accommodations and shall consider recommendations of the Association's National Hotel Committee. Having done so, the Flight Department shall make the final determination. Regularly scheduled layover facilities need not be in the downtown area.
 - g. If the Flight Department receives a report from the Association's National Hotel Committee of a problem with a facility or associated transportation arrangement, the Flight Department shall promptly investigate the reported problem and respond to the Association within fifteen (15) calendar days on the results of its investigation and the actions being taken to resolve the problems that are confirmed by the Flight Department.
- 7. All regularly scheduled layovers (off-duty periods) must be no less than ten (10) hours plus one (1) hour reporting and fifteen (15) minutes debriefing (11 hours 15 minutes -- 11 hours 30 minutes International). [See Q&A [15-26](#)]
 - 8. In flying a trip sequence, layover rest may be taken at the pilot's base, as if the rest were taken away from base and the provisions of [Section 7](#) and [Section 15.F](#) and [15.G](#), if applicable, shall apply.
 - 9. A field break may not be scheduled on a monthly basis. Layovers and accommodations at or near the airport are provided for only when the actual off-duty period is less than the above-mentioned figure caused by mechanical, weather delays, etc. Such layovers are intended to provide eight or nine hours of reduced rest "behind the door" as provided in [Section 15.C.5.g.](#) and will take into account the normal travel time required between the airport and such layover facility. Should ground transportation delays occur due to weather, equipment breakdown or late transportation, it is the captain's responsibility to contact Dispatch through the local Operations Office to advise of the rest required to comply with the "behind the door" stipulation.

B. Meals And Incidentals [See Q&A [7-1](#)]

- 1. Pilots on duty or when away from their bases on regular assignment, shall be reimbursed for meals and incidentals at the below listed rates per hour, commencing with the first trip sequence originating after the effective date of the rate increase:

Effective Date	Domestic Sequence Hourly Rate	International Sequence Hourly Rate
January 1, 2015	\$2.25	\$2.75
January 1, 2016	\$2.30	\$2.80

- a. Pilots must fly (including deadheading) to be covered under the provisions of this paragraph.
- b. Domestic Sequences allocated to an International Division bid status co-located with a Domestic Division bid status in accordance with Section 2.N, and Domestic Sequences

which contain non-overwater flights to Mexico will be paid at the International Sequence Hourly Rate above.

- c. Reimbursement under this paragraph shall be prorated to the nearest minute, from the reporting time of a sequence through the debriefing period following the last leg of the sequence that returns the pilot to base.
2. Pilots on temporary assignment, special duty, or training shall be reimbursed for meals and incidentals at the below listed rates per hour, commencing with the first trip sequence originating or duty period commencing after the effective date of the rate increase:

Effective Date	Hourly Rate
January 1, 2015	\$2.25
January 1, 2016	\$2.30

(prorated to the nearest minute) from the departure time of the trip which takes them to their assignment and continues until the arrival time at their base at the termination of the assignment. In the event a pilot returns to base during the course of a temporary assignment, special duty or training, during scheduled duty-free periods, such time spent at the base shall not be compensable under this provision.

3. Pilots in training.
 - a. For pilots based at a city other than where the training facility is located: When the pilot leaves the training city, meals and incidentals reimbursement will stop based on the scheduled travel to and from the pilot's base, whether the travel is made from the pilot's base or the American Airlines, American Eagle or American Connection city convenient to that pilot.
 - b. For pilots based at the city where the training facility is located: Meals and incidentals reimbursement shall be paid in a lump sum amount based upon a flat eight (8) hours of attendance in training, at the hourly rate provided in 2. above, for each such day of training performed.
4. The intent of the crew meal provisions is that crewmembers should get the opportunity to get a meal on the ground or a meal onboard during the crew meal period. If a meal cannot be provided due to inadequate ground or flying time, the following leg may have the crew meal onboard even if this is outside the normal meal period.

A meal will be boarded for a pilot in flight, at no expense to the pilot, in accordance with a.(1) through (5) below.

- a. Crew meals will be boarded when:
 - (1) The flight starts before and ends after the meal period.
 - (2) The flight starts before and ends within the meal period, AND the ground time following the flight is less than the ground time limit. Exception: An on-board meal will always be scheduled when the meal period is breakfast.
 - (3) The flight starts within the meal period and ends after the meal period, AND the ground time preceding the flight is less than the ground time limit. Exception: An on-board meal will always be scheduled when the meal period is midnight.
 - (4) The flight starts and ends within the meal period, AND the ground time before and after the flight is less than the ground time limits.
 - (5) The scheduled flight time is greater than 4:30.
- b. For the purposes of determining when crew meals will be boarded, the following rules will apply:
 - (1) Normal Meal Periods:

Breakfast	0730 – 0830
Lunch	1129 – 1300
Dinner	1800 – 1930
Midnight	2300 – 0300.

(2) Minimum Ground Time Limits:

DFW, ORD, MIA	70 Minutes
EWR, SJU	60 Minutes
Non-Hubs	45 Minutes
Layover	10:30 Hours.

(3) The minimum flying time to board a crew meal is:

Domestic	30 Minutes
International	60 Minutes

(4) For flights departing from non-catered stations:

- (a) The crew meal will be scheduled on the legs prior to or after the non-catered leg, or
- (b) No crew meal will be scheduled if the ground time prior to or after the non-catered leg is greater than the ground time limits.

(5) Departure and arrival times are adjusted to local time of the departure station of the first leg of the duty period. The departure and arrival times are adjusted again to allow for pre- and post-flight requirements:

Pre-flight: 60 minutes for the first leg of the duty period, and 30 minutes for all other legs.

Post-flight: 30 minutes for the last leg of the duty period, and 15 minutes for all other legs.

c. Minimum Meal Guarantee

Depending on the length of the duty period, the total number of crew meals plus sufficient ground time opportunities to eat will be at least:

- (1) Duty time > 16:00 3 meals
- (2) Duty time > 13:30 2 meals and 1 snack

Note: This meal minimum will also apply to all Far East flying.

- (3) Duty time > 10:30 2 meals / sufficient ground time
- (4) Duty time > 5:30 1 meal / sufficient ground time

d. Allocated Meals Not Boarded

If an allocated meal is not boarded, a pilot for whom such meal was to be boarded will be reimbursed for the expense of any replacement meal(s) purchased by the pilot, provided the amount is reasonable under the specific circumstances and the pilot submits receipts for the meal(s) to the Company.

C. Transportation

- 1. a. Pilots who are authorized lodging shall be allowed actual expenses incurred for necessary transportation between the airport and the hotel of lodging if the:
 - (1) planned transportation is untimely, or
 - (2) ground transportation is not made available by the Company.
- b. An expense report with receipt should be submitted to the Flight Office for reimbursement.

2. Pilots traveling under Company orders shall be furnished Company passes for the trip or reimbursement for actual transportation expense should it be necessary to use transportation other than Company aircraft.

D. Passports / Visas / Inoculations

The Company shall bear the reasonable expense of passports, including expedited filing fees if necessary, and passport photos for all pilots. Additionally, for pilots assigned to international flying the Company shall bear the expense of visas and necessary inoculations given at Company designated locations or at Company medical facilities.

E. General

Any other expenses incurred shall be in accordance with Company regulations and with Company approval. [See Q&A [7-2](#)]

F. Section 7 Questions and Answers

7-1. Q. *Should the meal allowance provided in Section 7.B. be paid on a scheduled or actual basis?*

A. The parties agree that the hourly per diem is automatically paid on an actual basis except when training is involved; then expenses will be paid on a scheduled basis; however, the pilot may file an adjusted claim if actual expenses are greater.

7-2. Q. *How is a crewmember who becomes ill on a layover reimbursed for expenses?*

A. Meal expenses are claimed on the Activity Record, at the applicable hourly rate as specified in Section 7, up to the time of arrival at the layover city. Meals and other expenses, on a reasonable actual basis, are submitted on a monthly expense statement form for the period following the arrival time at the layover city.

SECTION 8

MOVING EXPENSES

A. Basic Moving Expenses

When a pilot is moved by the Company at Company expense such pilot shall be eligible for Company paid moving expenses as follows:

1. En Route Expenses

- a. Automobile mileage expense for actual mileage for the most direct AAA route from point of origin to point of destination at 41¢ per mile for up to two (2) automobiles owned or leased by the pilot. Bridge, ferry, tunnel and turnpike toll expenses are also reimbursable.

In lieu of automobile mileage expense, either or both automobiles may be shipped at Company expense and is excluded from the weight limitation for household effects.

- b. Lodging as required while en route at actual and reasonable cost for the pilot, the pilot's spouse and the dependent members of the pilot's immediate family who reside with the pilot.
- c. Meals shall be allowed for the pilot, the pilot's spouse and the dependent members of the pilot's immediate family who reside with the pilot, based on either of the following:
 - (1) Actual and reasonable cost, or
 - (2) For the pilot, the pilot's spouse and dependents over twelve (12) years of age at the rates provided in [Section 7.B](#) of this Agreement, plus an additional three (3) dollars per day for each dependent under twelve (12) years of age.
- d. Tip expense at actual and reasonable cost.
- e. Taxi expenses incurred en route from residence to departure airport and from arrival airport to new residence.
- f. Documentation is required.

2. Direct Moving Expenses

- a. The pilot will receive a direct moving expense allowance of \$1,600.00 which will be paid in a lump sum.

Documentation, other than verification of the actual move, is not required.

- b. A pilot may elect to receive up to \$300.00 of the direct moving expense allowance prior to the actual move as a reimbursement of house hunting expenses. Such expenses include actual and reasonable cost of transportation, lodging and meals for the pilot, the pilot's spouse and the dependent members of the pilot's immediate family who reside with the pilot.
 - (1) Documentation for house hunting expenses is required.
 - (2) The direct moving expense allowance of \$1600.00 shall be reduced by any amount reimbursed for house hunting expenses.

3. Home Sale / Lease Termination Expenses

Upon the submission of required documentation, a pilot who owns and sells his primary residence or who pays a penalty associated with terminating a lease as a result of a Company paid move will be reimbursed up to \$1,200.00.

4. Shipment of Household Effects

The Company shall engage and compensate a reputable bonded furniture moving company to move the normal personal and household effects of the pilot up to a maximum of eighteen thousand (18,000) pounds. Such expense shall include packing, unpacking, shipping, all-risk transit insurance of comprehensive protection based on a valuation of \$3.50 per pound, actual weight, in five-hundred (500) pound increments, not to exceed a \$63,000, and drayage and storage of household effects for a period not to exceed sixty (60) days.

5. Self Move

- a. A pilot may elect to accomplish the physical shipment of all personal property him- or herself. In this case the Company will pay the pilot fifty percent (50%) of what the Company would have paid to the contracted moving company. The completion of the actual move requires verification.
 - b. Documentation and/or receipts for Federal tax purposes may be required.
6. All moving expenses shall be documented and claimed on appropriate Company expense forms and, except for automobile mileage, must be supported by receipts and submitted within thirty (30) days after incurring the expense.
7. In the event that Company Regulations provide more liberal allowances for those items described above, the greater amounts shall be allowed.

B. Eligible Moves at Company Expense

1. A pilot displacing under [Section 17.D.7.b.\(3\)](#).
2. A pilot transferring to a new or reactivated base, as provided in Section 17.S.1.
3. Pilots transferring from a closed base, as provided in [Section 17.S.2](#).

C. Forfeiture of Eligibility

1. The pilot does not relocate within the allotted time.
2. Prior to relocating the pilot is awarded a position at his/her former Domicile.
3. Prior to relocating the pilot becomes eligible for relocation benefits again.
4. Prior to relocating the pilot retires, dies, or becomes inactive.

Note: In the event an inactive pilot later returns to active duty, eligibility for such paid move, if still applicable, will be retained insofar as the move can be completed within the original 18 month window of eligibility.

D. Notification Requirement

A pilot eligible for a paid move must notify the Company if he/she intends to accept a Company paid move. This notification must occur no later than 90 days following the effective date of the award. This notification does not, however, create an obligation to complete the move.

Upon notification, any lock-in associated with the move will commence on the effective date of the bid award.

In the event a pilot subsequently elects not to move, and has not been reimbursed for any associated moving expenses, the lock-in will be removed, and if the eligible paid move was because of a displacement award, the pilot will be awarded a reinstatement right to his previous bid status. Any entitlement right awarded during the lock-in period will be unaffected.

E. Time Period for Completion of Move

A pilot must complete the move within eighteen (18) months of the effective date of the bid award. Extensions to the eighteen (18) month period will be considered on an individual case basis.

F. Time off from Work

1. Paid Days for Move
 - a. A pilot will be provided one (1) paid day off from work for each 350 miles, or portion thereof, between the pilot's old and new base. This mileage is based on the standard mileage derived from Mapquest, or equivalent. The maximum number of paid days provided is four (4). These four (4) paid days can be split, but must be taken in conjunction with the actual move.

- b. A pilot will contact the Company in order to request the necessary paid days off needed in association with the actual move. The Company will make every effort to honor the pilot's request for the desired days, but may deny a pilot his/her requested days if that pilot's absence would create a significant burden to the operation of the airline.

If the Company denies a pilot his/her specific requested days off, the Company will work with the pilot to identify mutually agreeable alternative dates. In the event that the pilot ultimately completes the move on a duty free period(s)(DFP), day(s) off (DO), or planned absence, such pilot shall be paid, but not credited, for the sequence(s) he/she would have otherwise been removed and paid for had the pilot been granted the days off requested.

- c. If a pilot is removed from a sequence(s) which total a greater number of days than provided for in paragraph a., above, the pilot will be paid a prorated amount days at the average daily credit value of the sequence(s) dropped. Any remaining credit will be unpaid, uncredited and go against guarantee, if applicable.

Example: A pilot is eligible for two paid days off, but is removed from a three-day sequence. The three-day sequence is valued at 18:00 hours. The pilot will be paid and credited for 12 hours (2/3 of 18 hours). The remaining 6 hours of the sequence is removed unpaid/uncredited.

2. Unpaid Days for Move

- a. A pilot will be provided up to four (4) unpaid move days for moving-related activities. These days can be split and need not be taken adjacent to the actual move.
- b. Additional unpaid days may be requested from the pilot's local Chief Pilot.

G. Company Travel Passes

The following business travel passes will be provided to each eligible family member, as necessary, for the following purposes:

1. Two (2) round trip passes for house hunting purposes;
2. One (1) round trip pass to make arrangements for shipping household goods;
3. One (1) round trip pass to close on the sale of a home; and
4. One (1) one-way pass to report to a pilot's new location.

If more than one of the above listed activities are accomplished during the same trip the trip passes are combined. Example: A pilot makes a single trip for the purpose of making arrangements for the shipping of household goods and to close on the sale of his home. In this example a pilot has used the travel benefits of #s 2 and 3 above.

H. General

1. Except as provided for in this Section, a pilot must relocate to the applicable base in order to receive moving expense benefits.
2. Except as provided in this Section, all other moving expenses shall be borne by the pilot.

SECTION 9

VACATIONS

A. Definitions

1. "Applicable rate" as used in this section, means the rate based on rates as set forth in this Agreement for the highest paying type of equipment involved in that pilot's last trip selection award or reserve flying assignment except that for retirees compensated under paragraph [F.1.d.\(1\)](#), this applicable rate will be based on the pilot's next to the last month of flying prior to retirement.
2. A Vacation Day shall be a twenty-four hour (24:00) period awarded through the vacation bid during which the Pilot is free from all duty at the Pilot's domicile beginning at 0000 HBT and ending at 2359 HBT.
3. "Vacation Year" as used in this section is used to mean a fiscal vacation year which runs from the contractual month of March (March 2nd) thru the contractual month of February (March 1st) of the following year.
4. "Year" as used in this section is used to mean a calendar year.
5. Vacation Bank as used in this section refers to a pilot's available vacation time measured in hours and minutes.

B. Vacation Period

1. Pilots shall become entitled to and receive vacation allowances with pay in accordance with the following:
 - a. All pilots will, except as noted in b. below, be eligible for vacation based on accredited service with the Company according to the following schedule:

Accredited Service As of December 31	Vacation Entitlement In Succeeding Vacation Year
Less than 1 year	prorated in b. below
1 through 5 years	21 days
6 years	22 days
7 years	23 days
8 years	24 days
9 years	25 days
10 years	26 days
11 years	27 days
12 years	28 days
13 years	29 days
14 years	30 days
15 years and thereafter	31 days

- b. A pilot who, as of December 31 of any Year, has had less than one (1) year of accredited service with the Company will be entitled to a vacation on the basis of one and three quarters (1-3/4^{ths}) days for each month of service.
2. For purposes of computing the number of days of vacation due, fifteen (15) days or more of service in a calendar month shall be considered a full month and less than fifteen (15) days shall not be considered. Fractions of a day's vacation which equal or exceed one-half (1/2) shall be considered a full day, and other fractions shall not be considered. Vacation days due

shall be converted to vacation hours at the rate of 3 hours and 40 minutes (3:40) per vacation day and will be credited to a pilot's vacation bank.

3. Pilots will bid for and be awarded/assigned vacation periods based on the number of vacation days due.

C. Vacation Selection [See Q&A [9-4](#)]

1. Vacation periods will be awarded based on a structure of 52 separate 7-day periods.
2. Vacation weeks commence at 0000 on Monday and end at 2359 on Sunday.
3. The Company shall solicit vacation period preferences for vacations accrued during a calendar year to be taken during the succeeding vacation year. Vacation periods will be proffered and awarded within each bid status. Pilots shall be permitted to select and shall be awarded in order of system seniority a vacation period proffered for selection within the bid status which they hold during the contractual month of January preceding the vacation year.
4.
 - a. The Company shall make all weeks of the vacation year available in each bid status (minimum one (1) man-month of vacation per bid month). Pilots shall be permitted to bid for vacation weeks in any adjoining combination within a [calendar month](#).
 - b. The minimum vacation to be made available in each bid status during any month of the vacation year shall be the lesser of:
 - (1) five percent (5%) of the total vacation to be awarded (net of vacation float), but not less than a. above, or
 - (2) two and three-quarters percent (2.75%) of the total accrued vacation (net of PVDs), but not less than a. above.
 - c.
 - (1) In each bid status, five percent (5%) or two and three-quarters percent (2.75%), as applicable, need not be applied in any month that planned ramp hours exceed the vacation year average by more than ten percent (10%) for that bid status.
 - (2) Exceptions under c.(1) will not exceed ten percent (10%) of total bid status-months in the system.
 - d. Temporary assignments solely due to vacation coverage will not create permanent vacancies under Section [15.M.1.f.](#), [15.M.2.e.](#) or [15.M.3.](#)
 - e. When a pilot changes bid status, the Company will honor such pilot's assigned vacation period, except when such vacation period increases the manning requirement in the new bid status in that month above the manning requirement level in the month immediately preceding or the month immediately following the vacation month. In such case, if the pilot's assigned vacation is not honored, the pilot's vacation shall be selected as provided in f. below.
 - f. When a pilot's vacation period is assigned, it will not be changed with less than thirty (30) days' notice. When a pilot's vacation period is changed, the pilot shall be permitted to make a selection of another vacation period from those available in the pilot's bid status within the same vacation year. Alternatively the affected pilot may elect to take the changed vacation as a floater not subject to the maximum number of floaters specified in paragraph F below.
5. Vacation Bidding
 - a. Vacation bidding will consist of four rounds and will be completed in a two-step bidding process as follows:
 - (1) The Company will post the schedule for vacation bidding on or before December 1st of the previous year.
 - (2) Round one vacation bids will be open for a minimum of 10 calendar days, and results will be posted no later than ten business days after bids close. At the time round one bidding opens, a pilot's estimated vacation accruals will be used for bidding purposes, since actual vacation accruals may not be finalized until after round one bidding period has commenced.

- (3) Upon completion of round one, pilots will have five calendar days to submit a single ballot for rounds two through four. Bidding rounds two through four will be conducted in one continuous process, and each round will be conducted sequentially.
 - (4) Results for rounds two through four will be posted by the Company no later than February 10th.
- b. The Company will maintain a system which:
 - (1) permits a pilot to view awarded vacation periods;
 - (2) contains an automated process to re-award open vacation weeks which have been released and made available at the Company's discretion; and
 - (3) accommodates pilot to pilot trades.
6. Vacation Splits
 - a. Pilots eligible for eight (8) or more days of vacation may split their vacations a maximum of three (3) times, provided that no split can result in more than one vacation of less than seven days. Any vacation period that is less than seven days will not be available for bidding purposes, but will be converted to hours and placed in the pilot's vacation bank.
 - b. Primary vacations are awarded based on seniority. Additional vacations will be selected from the remaining vacation periods available after all pilots have been awarded/assigned their primary vacation period in accordance with paragraphs 1., 2., and 3. of this Section 9.C. Awarding/assigning of the additional splits of a pilot's vacation period will be in order of seniority within the bid status among those pilots desiring to split their vacation.
7. A pilot may request paid personal vacation days (PVDs) which the Company will grant if manning permits. Days used for personal vacation will be deducted from the vacation day accrual to be awarded in the subsequent vacation year and will be limited to the total number of vacation days in such accrual. Once granted, pilots shall have the following options: [See Q&A [9-4](#)]
 - a. Hours Option
 - (1) The number of PVD days taken, when multiplied by the conversion rate in [B.2](#) above, shall be no less nor greater than the number of days required to completely offset the scheduled pay and credit for the trip sequence or days of availability from which such pilot is removed.
 - (2) Such time shall be credited to such pilot's vacation bank.
 - (3) Such pilot shall then be paid and credited for the trip sequence or days of availability from which such pilot is removed from such pilot's vacation bank.
 - b. Days option
 - (1) The number of PVD days taken shall be equal to the number of days of the trip sequence or days of availability from which such pilot is removed.
 - (2) The number of days in (1) above shall be multiplied by the conversion rate in [B.2](#) above, and such time shall be credited to such pilot's vacation bank.
 - (3) Such pilot shall then be paid and credited for the trip sequence or days of availability from which such pilot is removed from such pilot's vacation bank.
8. Pilot requests for PVDs will normally be granted through the trip trade system.
9. If a pilot who has requested and been granted time off by his supervisor is unable to make up the lost time, he will be given the option to convert the lost time to a personal vacation day(s) subject to [C.7](#) above. Unless the pilot decides otherwise, the lost time will automatically be converted to a personal vacation day(s).
10. Prior to the awarding of bid lines, a pilot, other than a pilot taking 28 or more days of vacation in a month, may slide the first day of vacation period by up to three (3) days in either direction. This provision shall not apply if the new vacation period goes outside of the bid

month or any of the following days: New Year's Day, Easter Sunday, Independence Day, Thanksgiving Day, Christmas Day. [See Q&A [9-6](#)]

11. Pilots may trade vacation periods within a four-part bid status. The traded periods must be an equivalent number of weeks although the exact number of days need not be equal. On a case by case basis, the company may elect to grant vacation period trades involving unequal weeks.

D. Deferred Vacations

Vacations shall not be cumulative and a vacation to which a pilot becomes entitled on December 31st of any year shall be treated in accordance with [F.1.f](#) and/or [F.1.g](#) of this section, unless taken during the following vacation year; provided that a pilot may be requested by the Company to forego his vacation if such request is in writing, and, in such event, if the pilot has not received his vacation by the end of the vacation year in which it is to be taken, he shall be entitled to said deferred vacation during the succeeding vacation year.

E. Floating Vacation

A pilot with eight (8) days or more vacation may float any or all vacation days in excess of seven (7) days. A pilot will notify Crew Resources prior to the bid closing date for the first round of vacation bids how many floating days of vacation will be taken. PVD's will not be deducted from a pilot's accrual prior to determining such pilot's eligibility to float a vacation day(s).

A floating vacation grants a pilot the ability to bid on future, Company designated, available floater vacation slots. Floating vacations are awarded in seven-day increments, i.e. each floating vacation slot posted by Planning will consist of seven consecutive days. The choice of whether or not to use a floater vacation rests solely with the pilot.
Monthly bidding and use of floating weeks:

1. Planning will electronically post available weekly vacation slots no later than twenty (20) days prior to the beginning of the month in which the floating vacation will be taken.
2. Pilots, with floating vacation available, may bid for an available vacation slot in their respective four part bid status.
3. Floating vacation slots will be closed and awarded in seniority order within their respective four part bid status no later than five (5) days prior to monthly bid closing. If a pilot is unsuccessful in bidding a floating vacation week, he may bid again in later bid months during that vacation year.
4. The value of floating vacation(s) not taken in the vacation year will be paid in accordance with [F.1.f](#) and/or [F.1.g](#)

F. Vacation Pay and Credit [See Q&A [9-3](#)]

1. A pilot will:
 - a. not be scheduled for flight assignment, company business, or training during a vacation period.
 - b. be paid and credited for vacation days from the pilot's vacation bank as follows:
 - (1) A pilot will receive pay at three hours and forty minutes (3:40) for each vacation day on such pilot's schedule, provided there is sufficient time remaining in the pilot's vacation bank, and
 - (2) credit for line construction or RPV purposes at the rate of three hours and forty minutes (3:40) per vacation day.
 - c. receive neither pay nor credit for any hours dropped in excess of the vacation bank provided that a pilot may utilize sufficient PVDs to be paid and credited for any such excess vacation hours used.
 - d. receive pay for the value of the hours remaining in his vacation bank and any accrued vacation, at the applicable rate if the pilot:

- (1) Retires [See Q&A [9-1](#)],
 - (2) is deceased,
 - (3) is furloughed or
 - (4) resigns with two (2) weeks' written notice.
 - (5) is granted a military leave of absence, provided the pilot may alternatively elect to reschedule his vacation in accordance with [Section 11.E.7](#).
- e. have the option to receive pay for up to five hours (5:00) from such pilots' vacation bank in any month, except for the months of May through August.
 - f. have any hours remaining in the vacation bank on January 30th paid out in the February pay period or,
 - g. have the option of applying all or part of the remaining vacation bank hours applied to the following vacation year's vacation bank to fully or partially replace a previously exercised PVD. The pilot must notify the Company prior to the end of the vacation year if exercising this option for the following vacation year.
- 2. A pilot shall have the option to receive pay from such pilot's vacation bank for a sequence voluntarily dropped via the Trip Trade System (TTS), provided there is sufficient time remaining in the pilot's vacation bank to cover any remaining scheduled vacation. This provision becomes effective the earlier of July 1, 2014 or the implementation of TTS.
 - 3. A pilot who has completed six (6) months' accredited service with the Company and resigns (with two (2) weeks' written notice), or is furloughed by the Company due to reduction in force shall receive pay at the applicable rate as of such date for all vacation accrued and unused to the date of resignation or furlough in accordance with the table below.

Years of Accredited Service	Vacation days per month of service
6 months through 5 years	1.75
6 years	1.83
7 years	1.92
8 years	2.00
9 years	2.08
10 years	2.17
11 years	2.25
12 years	2.33
13 years	2.42
14 years	2.50
15+ years	2.58

G. Effect of Leaves on Vacations

A pilot who takes a leave or leaves of absence which exceeds, or the total of which exceeds, sixty (60) calendar days during any calendar year shall have his vacation allowance to which he becomes entitled on December 31 of that year, reduced by one-tenth (1/10th) for each thirty (30) days of said leave, or total of such leaves, in excess of sixty (60) days. No deductions from vacation allowances shall be made for leaves of absence granted due to injury sustained while on duty, paid sick leave, or for leaves to represent the American Airlines pilots for grievance and collective bargaining purposes. Such grievance representatives for the purpose of this paragraph shall be System Board of Adjustment members or the representatives selected by a pilot under [Section 21](#).

H. Recall from Furlough, Return from Military or Personal Leave

A pilot who returns from furlough, military leave or personal leave shall accrue vacation allowance from the date of reemployment, to be taken during the succeeding vacation year in accordance with the table in F.3 above.

I. Vacation Scheduled During an Injury on Duty

A pilot who has a pre-selected vacation scheduled during an Injury on Duty ("IOD") leave will have the following options:

1. Receive pay for the vacation in the month it is originally scheduled in addition to Worker's Compensation payments; or
2. Move the pre-selected vacation to an open vacation slot. A pilot desiring to reschedule his/her vacation must advise his/her Chief Pilot of his/her intentions in advance of the contractual month during which the vacation is scheduled, unless the IOD leave commences in the same month as the pre-selected vacation, in which case the pilot must advise his/her Chief Pilot as soon as practicable. Moreover, the pre-selected vacation must be moved to an open vacation slot in the same vacation year. If there is no open vacation slot or if the pilot's IOD leave extends through the end of the current vacation year, the value of the vacation period, at the pilot's option, may be
 - a. credited to the pilot's PPROJ, and/or
 - b. applied to the following vacation year's vacation bank to fully or partially replace a previously exercised PVD.

J. Section 9 Questions and Answers

9-1. Q. *Is the accrued vacation pay for a retiring pilot based upon the equipment flown at retirement date?*

A. It is based on the greater of the pay rates for the equipment flown or the bid status from which withheld in the next to the last month of flying prior to retirement.

9-2. Q. *A reserve pilot who is on paid sick leave has a vacation scheduled. Do the paid sick days stop at the vacation?*

A. Yes. They commence again upon completion of the vacation.

9-3. Q. *A pilot has a vacation bank of 26:00 hours and total time of trips dropped during the pilot's vacation is 27:00 hours resulting in 1:00 hour unpaid and no credit. During the same month such pilot subsequently drops an all night sequence encompassing two calendar days worth 5:30 hours with two (2) PVDs worth a total of 7:20 hours (2 X 3:40). Can the excess time of 1:50 hour be used to offset the 1:00 of vacation deficit?*

A. No.

9-4. Q. *A pilot has a vacation bank with a zero (0:00) hour balance. Such pilot elects to drop a three (3) day fly-through sequence with three (3) PVDs. The value of this sequence is sixteen (16:00) hours, (6:00 hours in the current month and 10:00 hours in the subsequent month). How is the pilot paid and credited for this sequence for each month?*

A. Six (6) hours of the eleven hours (3 X 3:40 = 11:00) received for the 3 PVDs will pay for the first (1st) day of the sequence in the current month and the balance of five hours (5:00) pay will be applied toward the ten (10:00) hours of the subsequent month. This will result in an unpaid deficit of five hours (5:00) for the subsequent month. However, the pilot has the option to use two (2) additional PVDs (7:20) to pay the deficit.

9-5. Q. *Using the same example in 9-4 above except the fly-through sequence is scheduled to originate on March 1st and terminate on March 3rd. This sequence encompasses two (2) fiscal vacation years (the current fiscal year ending on March 1st and the subsequent fiscal year beginning on March 2nd.) How is the pilot paid and credited for this sequence for each month?*

A. In this example, the eleven hours (3 X 3:40 = 11:00) received for the 3 PVDs will be added to the contractual month of February's vacation bank. The pilot will be paid and credited for six (6) hours in February and the remaining five (5) hours will remain as a positive balance in the February vacation bank. At the end of the current fiscal vacation year (March 1st), the pilot will have the option to credit the unused PVD amount of 5:00 to his/her next year's vacation bank to replace a PVD exercised during the previous calendar year. The fly-through pay and credit of ten (10) hours will be deducted from the subsequent fiscal vacation bank (March 2nd).

9-6. Q. *A pilot has a vacation in October and is awarded a selection for September that contains a fly-through sequence at the end of September that will be paid and credited due to the October vacation. Can the pilot slide his/her vacation in October to avoid touching the September fly-through sequence?*

A. Yes, a pilot may slide the first (1st) day of vacation by up to three (3) days providing the vacation does not slide into November. The pilot must notify the Company no later than 1500 Central time the day following the close of the September bid selections at 0600 on the 17th day of the previous month. In this example the October vacation slide will have to be done by 1500 Central time August 18th.

9-7. Q. *Does a pilot have to exhaust all accrued vacation before being eligible to receive medical disability?*

A. Yes. Such pilot must exhaust all accrued vacation prior to commencing medical disability; however, any sick leave accrued during such vacation will be credited to the pilot upon return to service.

SECTION 10

SICK LEAVE

A. Rate of Accrual

A pilot shall be credited with five (5) hours of sick leave for each month of service with the Company. The accumulation for each calendar year shall be available for use the following calendar year, except that a pilot who has completed the first six (6) months of service may use up to 30 hours of accumulated sick leave in the calendar year in which the first six (6) months' service is completed.

B. Sick Leave Banks

(Effective January 1st, 2014 or such later date as the Company may determine)

Pilot sick leave will be provided through a short-term sick leave bank and a long-term sick leave bank.

1. Application of Sick Accrual Hours to Sick Banks

- a. Each January 1, a pilot's sick leave hours accrued in the preceding year shall be applied first to the pilot's short-term sick leave bank, up to a maximum of sixty (60) hours in the bank. Excess hours shall be applied to replace, on a one-for-one basis, any long-term sick leave bank hours used during the prior calendar year. Then, any hours still remaining from those accrued in the preceding year will be applied under the following formula:
 - (1) If the long-term sick leave bank balance is greater than or equal to 470 hours, 50% of the hours still remaining from those accrued in the preceding year (as provided in the last sentence of a. above) shall be paid out to the pilot and the other 50% of hours remaining shall be placed in the long-term sick leave bank.
 - (2) If the long-term sick leave bank balance is less than 470 hours but greater than or equal to 235 hours, 25% of the hours still remaining from those accrued in the preceding year (as provided in the last sentence of a. above) shall be paid out to the pilot and the other 75% of hours remaining shall be placed in the long-term sick leave bank.
 - (3) If the long-term sick leave bank balance is less than 235 hours, 100% of the hours still remaining from those accrued in the preceding year (as provided in the last sentence of a. above) shall be placed in the long-term sick leave bank.
 - (4) The payouts provided for in (1) and (2) above shall not include any hours earned under the rapid reaccrual formula. Payouts provided for in (1) and (2) above shall only be for hours that were or would have been earned under the regular accrual formula in Section 10.A. above.

2. Long Term Sick Leave Access [See Q&A [10-10](#)]

A pilot may access his/her long-term sick leave bank in one of two ways:

- a. If an illness or injury results in an absence exceeding fourteen (14) consecutive calendar days:

The pilot will substantiate the absence by following the Sick Verification/Proof of Illness procedures in paragraph [C.7.](#) below, and obtain medical approval from the AA Medical Department or the Company's third party contractor to use the pilot's long-term sick leave bank; or
- b. If the pilot has exhausted his/her short term sick leave bank, the pilot will substantiate the absence by following the Sick Verification/Proof of Illness procedures in paragraph [C.7.](#) below, obtain medical approval from the AA Medical Department or the Company's third party contractor to use the pilot's long term sick leave bank.

3. Sick Leave Bank Caps

- a. A pilot's short-term sick leave bank shall be capped at sixty (60) hours effective each January 1.

- b. A pilot's long-term sick leave bank shall be capped at nine hundred forty (940) hours.

C. Additional Sick Leave Provisions

1. Fractions Of A Month Of Service

For purposes of computing sick leave accrual under this Section 10, fifteen (15) days or more of service in a contractual month shall be considered a full month and less than fifteen (15) days shall not be considered.

2. Rapid Reaccrual of Sick Time [See Q&A [10-3](#), [10-4](#) and [10-5](#)]

If a pilot whose combined level of sick hours from both the short term and long term sick leave banks is fifty percent (50%) or more of such pilot's total accrual based on length of service, as provided in paragraphs A. and B.3. above, and the pilot is unable to report for duty on account of illness or injury for thirty (30) or more consecutive calendar days, that pilot will, upon return to duty, begin to accrue sick leave hours at the rate of seven and one-half (7 ½) hours per month. Such rapid reaccrual will continue until the pilot has accrued the number of sick hours he/she used in connection with the qualifying absence(s) triggering eligibility for rapid reaccrual. Thereafter, such pilot shall accrue at the rate provided in paragraph A. above.

Note: Former America West pilots' eligibility is handled in accordance with Letter W.

3. Beginning and Termination of Sick Leave [See Q&A [7-2](#)]

a. Regularly Scheduled Pilots

A regular scheduled pilot will be charged sick leave for any scheduled trip sequence such pilot fails to perform as a result of illness or injury, and for which pay is received in accordance with [Section 5](#) of this Agreement. Any time a regular scheduled pilot flies any portion of a scheduled trip assignment and is unable to complete such assignment due to illness or injury, such pilot will be paid and credited for the entire trip sequence. Such pilot will be charged sick leave equal to the scheduled hours remaining in the trip sequence dropped due to illness or injury.

b. Reserve Pilots

A reserve pilot will be charged sick leave at a rate of 1/18th of that pilot's awarded reserve line guarantee for each reserve day unavailable for duty/training on account of illness or injury, continuing to but not including the date medically cleared for duty provided such clearance is completed prior to 1000 local time. Such pilot will not be charged with sick leave for scheduled duty free periods. Any time a reserve pilot flies any portion of a scheduled trip assignment and is unable to complete such assignment due to illness or injury, such pilot will be paid and credited for the value of the portion of the trip sequence flown. A reserve pilot who continues on the sick list in subsequent days will be charged sick leave for each reserve day unavailable for duty. [See Q&A [10-12](#), [9-2](#)]

A reserve pilot who calls and notifies the Company that he/she is sick if needed (see Section 2.NN and Section [15.B.7]) will not be charged sick leave until such reserve pilot receives a flying assignment. Sick leave charges will commence the day such flying would have begun and will continue until such pilot clears the sick list and returns to active duty.

Note: Detailed sick clearance procedures for Reserve pilots are contained in Section [15.J.2.d.](#)

4. Credit After Furlough

A pilot laid off due to reduction in force shall have sick leave accrued prior to layoff credited in the event of recall.

5. Injury on Duty

- a. A medical certificate may be required for approval of pay for any such sick leave utilized in connection with an injury on duty.
- b. If a pilot is being treated by a network physician for a compensable injury on duty, he/she may receive sick leave pay for compensable lost time as provided under Section 5 of this Agreement (or the agreed-upon procedures governing Preferential bidding). The pilot's

sick bank will be restored upon return to work for each period of compensable lost time. Sick pay used for period of lost time deemed not compensable by the Workers' Compensation Insurance administrator will not be restored and will be subject to the provisions in Section 10.C.7. of this Agreement.

- c. If a pilot is not being treated by a network physician for a compensable injury on duty, he/she will not receive any sick leave pay for the period in which the pilot receives Weekly Indemnity Pay from Workers Compensation Insurance that is applicable to the same period of absence. [See Q&A [10-1](#), [10-7](#), [10-8](#), [10-9](#)]
- d. During a pilot's absence due to an injury compensable under the applicable Worker's Compensation Laws, the pilot's sick leave accrual shall be charged, in accordance with the provisions above, as applicable. In the event such absence exceeds seven (7) consecutive days, such sick leave credit used shall be restored to the pilot's accrual. This provision may be exercised only once for any one (1) injury.

6. Medical Self Clearance

A pilot who has reported sick may declare medically fit to fly in person or by telephone without visiting the Company's medical facilities or the Company's third party contractor provided:

- a. That the illness was not for an injury on duty; nor was the pilot hospitalized during such illness.
- b. That such self-clearance shall not apply to pilots with a previous medical history that demands a personal medical clearance, as determined by the base physician, AA Medical Department or the Company's third party contractor.

7. Sick Verification/Proof of Illness

- a. For illnesses or injuries as described in paragraph B(2) above, a pilot will be required to submit Sufficient Medical Documentation to the AA Medical Department or the Company's third party contractor in order to verify that the absence is required by the pilot's illness or injury. The first day of the verification requirement begins on the first day of a sequence, reserve available or training day for which the pilot was removed for sick. The Company will prepare and post on a website available to pilots a form that the pilot's qualified health care professional may complete in order to address the Sufficient Medical Documentation requirements described below. [See Q&A [10-10](#)]
- b. If Sufficient Medical Documentation is not received within 22 days, beginning with the first day of a qualifying absence as described in paragraph B(2) above, sick pay will cease until Sufficient Medical documentation is received and approved by the AA Medical Department or the Company's third party contractor. If the Company determines that Sufficient Medical Documentation has not been provided or is incomplete, the absence will be deemed unauthorized and the entire absence will be unpaid. Sick pay paid for the unauthorized absence shall be recouped and the pilot's sick bank credited accordingly.
- c. The term Sufficient Medical Documentation means medical documentation and information provided by the pilot's qualified health care professional(s) (i.e. an accredited and licensed healthcare professional whose expertise is appropriate to the pilot's condition) that:
 - (1) Relates to the illness(es) or injury(ies) that gave rise to the pilot's being on paid sick status as described in paragraph B(2) above, and any continuing period, and does not relate to any other medical condition(s) not relevant to the pilot's current paid sick usage; and,
 - (2) Shall address the following two (2) areas:
 - (a) Diagnosis - An explanation of the pilot's medical condition and the procedures used to make that determination;
 - (b) Expected return to work date - Identification of the estimated date that the pilot's health care provider estimates that the pilot will be able to return to work (it is understood that estimates may need later modification once FAA/FAR airmen certification standards are considered).
- d. The AA Medical Department and/or the Company's third-party contractor may, on a case-by-case basis, determine that documentation covering either of the above areas is not

necessary. (E.g., for a broken bone, the AA Medical Department and/or third party contractor may determine that X-rays and an estimated return date are sufficient).

- e. The review of the Sufficient Medical Documentation shall be conducted by the AA Medical Department and/or the third party contractor retained by mutual agreement between the Company and the Association. The Association shall not unreasonably withhold its agreement to the selection of the third party contractor.
- f. Consistent with applicable laws, a pilot is required to execute authorization form(s) permitting the sharing of pertinent information regarding the pilot's illness or injury.
- g. The AA Medical Department and/or third party contractor may require, when reasonable, additional medical verification if, in the determination of the AA Medical Department and/or the Company's third party contractor, the initial information provided is inadequate to substantiate a pilot's sick status.
- h. Regardless of the length of a pilot's absence from work, the Company shall retain the ability to initiate Section 20 examinations and/or investigate the possible abuse of sick leave for cause (which includes, but is not limited to, frequency of use, sick leave patterns and sick leave use in conjunction with holidays, vacations or training).

8. Use of Sick Leave prior to Long Term Disability

- a. A pilot on long term sick may designate the number of hours for which he will be paid in a given month provided that the number of hours falls between the lower of Line Construction Window or reserve guarantee and the pilot's individual IMAX. Without a pilot designation, the pilot shall be paid 85 hours.
- b. A pilot may choose the total number of sick hours he/she will use prior to receiving LTD benefits, subject to the following provisions:
 - (1) A Pilot who does not have a sick bank balance greater than 195 hours will be required to exhaust his accrued sick leave balance prior to receiving LTD benefits at the end of the elimination period.
 - (2) A pilot who has a sick bank balance greater than 195 hours will be required to exhaust his sick leave balance prior to receiving LTD benefits unless, no later than 60 days after the date of disability, he has designated a specific amount of sick leave to be used in order to avoid exhausting such pilot's sick bank balance.
 - (3) Such pilot who has designated a specific amount of sick leave shall commence receiving LTD benefits upon exhaustion of such designated amount and all vacation.
 - (4) The election to use a specific amount of sick leave shall not be changed once designated unless, prior to exhausting such specified amount, the pilot suffers an additional illness/disability. In such cases a pilot shall be allowed to amend his/her initial election to account for this new illness.

9. Sick Leave Exhaustion

When a pilot exhausts his/her paid sick leave banks before the end of the calendar year and is not able to participate in the Long Term Disability Plan by December 31 of that calendar year, the pilot will be paid for the additional sick leave accrued during the portion of the year that the pilot was on the active payroll. This payment will be made following the credit to the pilot's sick leave bank(s) of time earned while on active service, which occurs on January 1 of the following calendar year.

The pilot will not be returned to the active payroll until the pilot is able to clear and resume his/her duties

- 10. The Company will continue to provide eligible pilots with weekly short term disability pay in the same amounts as provided to eligible pilots prior to date of signing. Although it is the intention of the Company to make available this short term disability pay, the Company will reserve the right, in its sole discretion, to modify this provision.
- 11. The Company will provide positive space online deadhead travel to Domicile for a pilot who becomes sick on his/her sequence. Such pilot may contact his Chief Pilot, or the Chief Pilot on duty, for an authorization to deadhead directly to his home.

D. Section 10 Questions and Answers

10-1. Q. *Are sick leave payments offset by Worker's Compensation payments in case of injury on duty?*

A. Sick leave payments are not offset when the pilot is being treated for the compensable injury by a network provider. However, if the pilot is not being treated by a network provider for a compensable injury on duty, he/she will not receive sick leave pay for the period in which the pilot receives Weekly Indemnity Pay from Workers Compensation Insurance that is applicable to the same period of absence.

10-2. Q. *What is a pilot's right to self-clearance from a sick leave of absence?*

A. The parties reaffirm that a pilot who has reported sick may clear in person or by telephone without visiting the Company's medical facilities provided (a) that the illness was not for an injury on duty; nor was the pilot hospitalized during such illness and (b) that such self-clearance shall not apply to pilots with a previous medical history that demands a personal medical clearance, as determined by the base physician, Corporate Medical Director or the Company's third party contractor.

10-3. Q. *Does the period of time on the "sick if needed" list count as "sick" time for the purpose of qualifying a reserve pilot for "Rapid Reaccrual of Sick Time"?*

For Example: A reserve pilot on the "sick if needed" list on the third (3rd) day of the current month is assigned as junior pilot for a trip sequence on the tenth (10th) day of the month. The pilot is put on the "sick" list on the 10th and remains on the "sick" list through the end of the contractual month.

A. No. Qualification for "Rapid Reaccrual of Sick Time" requires:

1. The pilot is on the "sick" list for thirty (30) or more consecutive days.
2. The pilot's level of combined sick hours from both the short term and long term sick leave banks must be fifty percent (50%) or more of the pilot's total accrual based on length of service.

10-4. Q. *If a pilot was sick for a period of time which resulted in 300 hours being charged from his/her sick banks. Assuming that the pilot met the requirements in Section 10.C.2 for rapid reaccrual, how long will this pilot accrue sick time at the rapid reaccrual rate once he returns to flying status?*

A. The pilot will accrue sick hours at the rapid reaccrual rate until he has accrued 300 hours.

10-5. Q. *While on rapid reaccrual will any shorter term sick absences, which are not rapid reaccrual qualifying events, increase the amount of hours to which a pilot is able to rapid reaccrual.*

A. No

Example: A pilot is on rapid reaccrual and has 150 hours of sick accrual remaining at the rapid reaccrual rate. The pilot calls in sick for an 18 hour sequence. The pilot is still eligible for rapid reaccrual for only the remaining 150 hours from the earlier rapid reaccrual triggering event.

10-6. Q. *While on rapid reaccrual will another sick absence, which qualifies for rapid reaccrual per the requirements of Section 10.C.2, increase the amount of hours to which a pilot is able to rapid reaccrue?*

A Yes

Example: A pilot who is on rapid reaccrual experiences a subsequent sick absence that results in 200 hours of sick time charged from his sick bank. At the end of the 200 hour sick event the pilot returns to work and still has 75 hours of rapid reaccrual remaining from the original rapid reaccrual qualifying absence.

Assuming that the pilot met the requirement for the second absence per Section 10.C.2, going forward, the pilot is now eligible for 275 hours sick accrual at the rapid reaccrual rate. (75 hours remaining from the original sick event, and 200 hours from the subsequent sick event).

10-7. Q. *What is the process when a network physician is not available in the pilot's area to treat an Injury on Duty?*

A. The pilot is geographically precluded from using a network provider to treat an Injury on Duty if he/she lives more than forty-five (45) miles from the nearest network provider.

10-8. Q. *If a pilot is geographically precluded, can he/she still use sick time for compensable lost time related to a compensable workers' compensation claim?*

A. Yes, the pilot will be able to treat with a non-network provider, approved by the third party administrator (TPA) handling the workers compensation claim and upon return to work, will have his/her sick bank restored in accordance with Section 10.5.d. above.

10-9. Q. *What if the employer or the TPA handling the workers compensation claim directs care to a non-network provider pursuant to state workers compensation law?*

A. If the employer/TPA directs care to a non-network provider, the provider will be considered network for the purpose of this section and the pilot will have his/her sick bank restored in accordance with Section 10.C.5.d. above.

10-10. Q. *If the pilot needs to access his/her long term sick leave bank, does the pilot have to complete the Sick Verification/Proof of Illness requirements and provide Sufficient Medical Documentation before the pilot actually receives his/her sick pay?*

A. No. As long as the pilot completes the Sick Verification/Proof of Illness requirements and provides Sufficient Medical Documentation within 22 days beginning with the first day of an absence that qualifies for use of the long term sick leave bank, the pilot will receive sick pay for each long term sick leave bank hour used.

For example, if the pilot's absence starts on November 15, and continues through the day he/she is able to visit the doctor on December 3, the pilot will receive sick pay from his/her long term sick leave bank. If the pilot provides the Sufficient Medical Documentation and it is approved by AA Medical or the third party contractor by December 6, there will be no suspension of sick pay if the pilot's absence is continuing.

However, if the Company determines that Sufficient Medical Documentation has not been provided or is incomplete, the absence will be deemed unauthorized and the entire absence will be unpaid. Sick pay paid for the unauthorized absence shall be recouped and the pilot's sick bank credited accordingly.

10-11. Q. *When a pilot calls in sick what is considered the first day of absence?*

A. The first day of absence is the first day of a sequence, reserve available day or training day for which the pilot was removed for sick.

10-12. Q. *Must a reserve pilot notify the Company of an illness that could prevent such pilot's assignment to duty at a later time?*

A. The Company and the Association agree that a reserve pilot who is sick must call and so notify the Company. The pilot will not be charged sick leave until such pilot is required to fly (either by variance group or RPV). At the time the pilot is needed to fly, such pilot will be so notified and will be placed on sick leave effective that date.

Provisions To Be Included In The Implementation Letter:

A. Sick Leave Accrual Prior to the implementation of the split banks

1. Rate of Accrual

A pilot shall be credited with five (5) hours of sick leave for each month of service with the Company. The accumulation for each calendar year shall be available for use the following calendar year, except that a pilot who has completed the first six (6) months of service may use up to 30 hours of accumulated sick leave in the calendar year in which the first six (6) months' service is completed.

2. Maximum Accrual

Unused sick leave shall be cumulative up to a maximum of one thousand (1000) hours. In 2014, there will be a sick bank payout under a single bank system using the formula described in paragraph B.1.a, based upon 2013 annual sick hours accrued and used.

B. Creation of the Sick Leave Banks

To be determined when an implementation date is established.

SECTION 11

LEAVES OF ABSENCE

A. General

When the requirements of the Company will permit, a pilot may be granted a leave of absence. When such leave is granted, a pilot shall retain and continue to accrue seniority, provided that such pilot maintains at all times his required certificate or ratings. If such pilot shall permit his required certificate or ratings to lapse, he shall retain his seniority accrued at the time of such lapse. Length of service for longevity pay or salary purposes shall not accrue during leaves of absence, except leaves granted in the interest of the Company, leaves to permit attendance as representatives of the pilots at conferences with the Company, leaves granted due to sickness or injury, for duty with the military services of the United States, or for service with the Association.

B. Personal Leaves of Absence

1. A pilot during the normal vacation selection period may submit a request for a leave of absence in conjunction with such vacation preference that shall not exceed a period of thirty (30) consecutive days.
2. The Company shall consider up to thirty (30) individual requests for leaves per calendar year, not including leaves related to maternity, but will not be required to consider more than nine (9) such leaves during any one (1) period of time on a system-wide basis.
3. The Company will respond, in writing, within a reasonable time as to whether or not the pilot's request for a leave can be honored. Such requests will be honored in order of system seniority subject to availability of replacements in equipment and category at the base.
4. If the Company grants a leave, it may be canceled no later than thirty (30) days prior to the effective date of the leave or his vacation whichever occurs first, except that in cases of emergency, it may be canceled in less than thirty (30) days.
If the pilot desires to cancel his request for leave, he shall notify the Company as soon as possible, but in no event later than thirty (30) days prior to the effective date of leave or his vacation, whichever occurs first.
5. The Company may, operational requirements permitting, consider the request for pilot's leave of absence in excess of the numbers stated above.
6. In the event of a furlough, the Company will notify all pilots that it will consider all requests for Leaves of Absence in order to mitigate the number of furloughs.
7. A pilot on leave shall not, without prior written permission of the Company, engage in aviation employment, and in no case shall engage in employment, the nature of which may bring discredit upon the Company.

C. Bid Status During Leaves

1. Any pilot granted a leave of absence shall have the same bid status upon return to active flying duty.
2. A pilot who, upon return, is unable to hold the bid status held at the commencement of the leave will be placed in a lateral or lower bid status in accordance with that pilot's displacement preference list.
3. Reinstatement rights of any pilot on a leave of absence shall not be exercised while such pilot is on such leave of absence.

D. Sickness or Injury Leaves

1. When leaves are granted on account of sickness or injury, a pilot shall retain and continue to accrue his seniority irrespective of whether or not he is able to maintain his required certificates or ratings, until he is able to return to duty or is found to be unfit for such duty. A leave of absence for sickness or injury shall not commence until after a pilot has exhausted

I accrued sick leave credits in accordance with Section 10.C.8 of this Agreement. Such leave of absence for sickness or injury may not exceed a total continuous period of three (3) years unless extended by mutual consent of the Company and the Association, in which case it may not exceed a total continuous period of five (5) years. Length of service for pay purposes shall accrue during leaves granted because of injury on duty, and during the first ninety (90) days of any leave granted for sickness or injury sustained off duty.

2. A pilot returning from any leave due to sickness or injury shall assume a bid status to which entitled by seniority upon return to active flying duty.

E. Military Service Leaves

1. A pilot ordered to, or who volunteers for, active duty with the military services of the United States in time of war shall be granted a leave of absence for the period of such duty and for ninety (90) days thereafter, during which time his seniority and length of service for pay purposes shall accrue.
2. A pilot who volunteers and is accepted for active duty with the military services of the United States in time of peace shall be granted a leave of absence for the period of such duty, but not to exceed a cumulative total of five (5) years, during which time his seniority and length of service for pay purposes shall accrue.
3. A pilot returning from any military leave of absence shall be permitted to return to that pilot's former bid status upon return to active flying duty.
4. A pilot who, upon return, is unable to hold the bid status held at the commencement of the leave will be placed in a lateral or lower bid status in accordance with that pilot's displacement preference list.

5. Notice And Verification

- a. Pilots must provide the Company with reasonable notice of all military leaves which conflict with their American Airlines work schedule, unless the giving of such notice is precluded by military necessity or, under all of the relevant circumstances, the giving of such notice is otherwise impossible or unreasonable.

(1) Notice of military leave shall be submitted to the Company before bidding closes for the following month, unless precluded by one of the exceptions above.

6. Verification of military duty will not normally be required by the Company.

When the Company does require verification, within a reasonable period of time the pilot must provide documentation substantiating the military duty in question.

7. Vacation

- a. A pilot may reschedule current fiscal year vacation days/hours to cover military duty provided the Company is given reasonable notice (i.e., notice must be given by the earlier of [1] the first of the month preceding the month in which the vacation is scheduled, or [2] the first of the month preceding the month in which the vacation is rescheduled). The rescheduled vacation must be taken within the current vacation fiscal year.

(1) The vacation being rescheduled must match, to the extent possible, the number of days of military leave; and

(2) The vacation must be taken in blocks as originally scheduled or, if the vacation was not originally split, it may be split in accordance with the provisions of this Agreement.

Examples of rescheduling vacation for military leave:

Military Duty Dates	Scheduled VC	Rescheduled VC
Aug. 10 - 16 (7 days)	Jan. AB	Jan. AB to Aug. AB
	Jan. AB & Mar. A	Mar. A to Aug. B
	Jan. ABC	Jan. C to Aug. B
Aug. 10 - 21 (12 days)	Jan. AB	Jan. AB to Aug. BC

	Jan. AB & Mar. A	Jan. AB to Aug. BC
	Jan. ABC	Jan. AB or BC to Aug. BC

- b. A pilot may use personal vacation days (PVD's) to cover military duty provided the total number of PVD's used, whether for military duty or not, is in compliance with the provisions of this Agreement. The pilot's vacation bank will be increased by the number of PVD's used times the daily conversion rate.
- c. For a military leave involving four (4) or more entire contractual months, current fiscal year vacation and vacation accrued but not yet credited will be paid at the beginning of such leave, unless the pilot requests not to be paid for such vacation. In no case may a pilot defer vacation into the next vacation fiscal year.
- d. A pilot who has vacation days remaining but no hours in the vacation bank may still move vacation days to coincide with military duty.

8. Guarantee

- a. A reserve pilot's guarantee will be reduced by 1/18th for each day of reserve availability missed as a result of military leave.
- b. A reserve pilot whose military leave request(s) (after bid closing and in compliance with paragraph [5.a.\(1\)](#) above) increases days of reserve unavailability may move DFPs such that they cover the increased unavailable days. In such case, the Company may move remaining DFPs to alleviate illegalities or insufficient availability periods.
- c. A reserve pilot may elect to cover the unpaid reserve available days from the pilot's vacation bank provided there is sufficient time remaining in the pilot's vacation bank to cover any remaining scheduled vacation.

9. Crediting

Absences due to military leave (removal from a trip sequence or removal from days of reserve availability) in compliance with the Notice and Verification provisions will be uncredited, unpaid.

10. Bid Status Following Military Duty.

- a. For a leave which does not exceed three (3) entire contractual months, upon the pilot's return to active flying duty with the Company, reinstatement will normally be to the same bid status the pilot held before the leave.
 - (1) A pilot with a different bid status pending at the time a military leave begins will assume the new bid status at the end of the leave if the effective date of the new bid status coincides with or is before the end of the leave.
 - (2) For a pilot being withheld from a bid status at the beginning of a military leave, the Company may continue to withhold the pilot in accordance with the AA/APA Basic Agreement and the pilot will assume the same bid status held before the leave, or the pilot may be awarded the withheld bid status. In all cases, the period of the leave will be included in determining the maximum duration of a pilot's withholding, as provided in the AA/APA Basic Agreement.
 - (3) During such leave, a pilot's bid and displacement preferences will be processed. Thus, the pilot may be awarded a different bid status during the military leave. At the end of the leave, a pilot will assume the bid status held before the leave, or be awarded the new bid status, depending on the effective date of the new status.
 - (4) A pilot's lock-in and deferral of upgrade will continue to run during such a leave.
- b. During a military leave involving four (4) or more entire contractual months, a pilot's bid and displacement preferences will not be processed. Upon the pilot's return to active flying duty with the Company, the pilot will assume a bid status in accordance with the following:
 - (1) A pilot returning from a leave who does not have a lock-in should, if possible, give the Company a minimum of forty-five (45) days notice of the bid status to which the pilot is entitled by seniority including reinstatement or entitlement rights. Any lock-in incurred will be in accordance with this Agreement.

- (2) A pilot's lock in will run during the leave.
- (3) If a pilot's lock-in has not been fulfilled, when the pilot returns to active flying duty with the Company, the pilot will assume the bid status to which the lock-in applies.
- (4) A pilot returning from a leave who does not have a lock-in will assume a bid status to which the pilot is entitled by seniority, and any lock-in incurred will be in accordance with the AA/APA Basic Agreement.
- (5) Deferral of upgrade will continue to run during such a leave, if the deferral began before the leave. If the deferral did not begin before the leave, the pilot may elect to begin the deferral following the leave.
- (6) In order to assure that a pilot has the requisite experience for the bid status awarded following a leave, the Company may require training and flying at the same base and in the same equipment but in a different category than the bid status awarded. In such case, the pilot will be paid as if withheld from the bid status which is awarded.
- (7) A pilot returning from a leave will be returned to payroll the earlier of such pilot's actual training start date or thirty (30) days from the date the pilot notifies the Company of his availability for training. In no case shall a pilot be returned to payroll earlier than such pilot's actual date of availability for training.

11. General

- a. A pilot's probation period will be extended on a day for day basis for military absences exceeding sixty two (62) days.
- b. A current and qualified pilot who will be available on the first day of the next contractual month will be eligible to bid for a trip selection.
- c. A pilot may be withheld from a bid status at the end of a leave, provided such withholding is in accordance with the terms of this Agreement.
- d. If a military leave begins in one month and extends into the following month, it will be treated under the provisions of this agreement as if it ended in the same month in which it began.
- e. Nothing in this Section shall supersede, nullify or diminish any federal or state law that establishes a right or benefit which is more beneficial to, or is in addition to, a right or benefit provided for a pilot in this Section.

F. Duty with the Association

A pilot covered by this Agreement, who is providing service for the Association on a full time basis, shall be granted a leave of absence for the duration of such tour of duty provided that the number of pilots on such leaves shall not at any time exceed three (3) in number. A pilot, who is granted any such leave of absence, shall continue to accrue seniority and length of service for pay purposes. Such a pilot will continue to participate in the Company's benefit plans available to active pilots, subject to provisions and regulations of said Plans. The Association shall reimburse the Company for the cost thereof. A pilot returning to active service with the Company, from a full time tour of duty with the Association, shall assume a bid status to which entitled by seniority. In lieu of a full time leave of absence, such pilot may elect to remain on the Company's payroll, in which case the Association will reimburse the Company for all items such as salary, pensions, insurance, sick time and vacations.

G. Physical Fitness

Any dispute arising under this Section concerning physical fitness of any pilot shall be settled in accordance with the provisions of [Section 20](#) of this Agreement.

H. Furlough While On Leave

Pilots on leave of absence whose seniority is such that they would have been furloughed had they not been on leave of absence shall be promptly notified that their rights under the Agreement have been changed to those of furloughed pilots. If there is a subsequent expansion in service, such pilots, if seniority warrants, shall again revert to leave of absence status with accompanying rights, and shall be so notified.

I. Section 11 Questions and Answers

11-1. Q. *Reserved*

11-2. Q. *Is a reserve pilot's guarantee reduced if a pilot changes his military leave request after trip selections close that result in a decrease of reserve availability?*

A. A reserve pilot who changes a military leave request after trip selections close will have his/her guarantee reduced for each additional day of reserve availability missed. Such pilot's guarantee will not be reduced for any additional day of reserve availability missed for which the pilot has offset by moving a DFP to cover.

11-3. Q. *In order to receive the pay guarantees of Section 11.E.8 is a pilot required to verify the military service in question, and if so what type of verification is required?*

A. If a pilot satisfies the conditions of Section 11.E.8.a, verification is not required. With respect to the pay guarantee in Section 11.E.8.c, the Company reserves the right to request verification in connection with military leave of absence. Upon request by the Company, an individual pilot must verify the specific military service for which the pilot received the pay guarantee under Section 11.E.8.c. A Leave and Earnings Statement, DD-214 or an endorsed copy of orders are each examples of sufficient verification for this purpose.

SECTION 12

SUPERVISORY PILOTS, CHECK AIRMEN & FLIGHT TEST

A. Supervisory or Other Duty

1. Retention of Seniority

A pilot transferred to supervisory or other duty with the Company shall retain and continue to accrue seniority, provided that such pilot maintains at all times his required certificate or ratings. If such pilot shall permit his required certificate or ratings to lapse, he shall retain his seniority accrued at the time of such lapse and shall have a period not to exceed one (1) year in which to regain such required certificate and ratings. If he does so regain such required certificate and ratings within one (1) year, his seniority shall recommence to accrue from the date such certificates and ratings are so re-gained.

2. Retention of Seniority - Sickness, Injury

When a pilot is transferred to supervisory or other duty with the Company, because of sickness or injury, or becomes sick or injured while on such supervisory or other duty with the Company, he shall retain and continue to accrue seniority during such period of sickness or injury not to exceed three (3) years, irrespective of whether or not he is able to maintain his required certificate or ratings, provided, any extension beyond three (3) years shall be by mutual consent of the Company and the Association and shall not exceed the total of an additional two (2) years.

3. Loss of Bid Status

Pilots in supervisory duty for more than six (6) consecutive months shall lose their bid status at the beginning of the seventh (7th) contractual month of such duty.

4. Return to Active Flying Duty

- a. Pilots in supervisory duty who have lost their bid status may return temporarily to line flying for up to four (4) months per year. Such pilots may fly in the bid status they last held, or a bid status for which they are currently qualified, provided their seniority will entitle them to such bid status. No pilot in such bid status will be displaced solely as a result of such temporary return to line flying.
- b. Pilots engaged in supervisory duty who have lost their bid status and who return permanently to active flying duty shall assume a bid status to which they are entitled by seniority.

5. Length of Service

Length of service for pay purposes shall accrue during assignments to supervisory or other duty.

6. Physical Fitness Disputes

Any disputes arising under this Section concerning the physical fitness of such pilot shall be settled in accordance with [Section 20](#) of this Agreement.

7. Furlough While on Supervisory or Other Duty

A pilot transferred to supervisory or other duty with the Company whose seniority is such that he would have been furloughed had he not been transferred shall be promptly notified that his rights under the Agreement have been changed to those of a furloughed pilot. If there is a subsequent expansion in service, such pilot, if his seniority warrants, shall be removed from furlough status and his former rights restored, and he shall be so notified.

B. Check Airmen

1. Definitions:

- a. Active Check Airman: An Active Check Airman is defined as a pilot who is on Check Airman salary for the month.
- b. Actual -- A Check Airman's actual time consists of:
 - (1) Actual flight hours (block to block).

- (2) Scheduled time for deadheading.
- (3) Credit for non-flight standards work, in accordance with [B.5.b.\(4\)](#) of this Section.
- (4) Credit for reporting for an additional day which cancels and is not replaced, in accordance with [B.5.b.\(5\)](#) of this Section.
- c. Blank Days: Unscheduled days on which the Company may schedule or reschedule work with the Check Airman's concurrence, or without the Check Airman's concurrence provided the Check Airman is scheduled in accordance with the provisions of this Section.
- d. Book Rates: Pay rates as published in Section 3 of the Basic Agreement.
- e. Credited Projection (PROJ) -- A Check Airman's PROJ consists of:
 - (1) The greater of (a) or (b) below for each duty period:
 - (a) The greater of scheduled or actual flight hours, plus scheduled time for deadheading, or
 - (b) The minimum credit as defined in [B.5.b.\(3\)](#) of this Section.
 - (2) Credit for non-flight standards work, in accordance with [B.5.b.\(4\)](#) of this Section.
 - (3) Credit for reporting for an additional day which cancels and is not replaced, in accordance with [B.5.b.\(5\)](#) of this Section.
- f. Flight Standards Work: All Check Airman functions other than those performed in a training facility or in a pilot trainer aircraft.
- g. Long Course Training: A training course required for crewmembers who have not been qualified on an equipment type in category during the previous 24 months.
- h. L-Type Check Airman: A Check Airman who is qualified as a "line check pilot - all seats."
- i. Pay Projection (PPROJ) -- A Check Airman's PPROJ consists of:
 - (1) The greater of (a) or (b) below for each duty period:
 - (a) The greater of scheduled or actual flight hours, plus scheduled time for deadheading, or
 - (b) The minimum credit as defined in [B.5.b.\(3\)](#) of this Section.
 - (2) Credit for non-flight standards work, in accordance with [B.5.b.\(4\)](#) of this Section.
 - (3) Credit for reporting for an additional day which cancels and is not replaced, in accordance with [B.5.b.\(5\)](#) of this Section.
 - (4) If a Check Airman elects to receive pay but no credit for one or more days of training in accordance with the provisions of this Section, credit for such days of training will be added to the Check Airman's PPROJ before total pay for the month is calculated.
- j. "R" (Requested) Days: "R" days are specifically requested days off that are part of the pre-scheduled 10 duty free periods (DFP's) required each contractual month.
- k. [Supplement O](#) Pilot: A line pilot, or Check Airman on a line rotation, who performs Check Airman functions under the provisions of [Supplement O](#) of the Basic Agreement.
- l. "W" Days: Days scheduled prior to the start of the contractual month on which an X-Type Check Airman must be available and may be required to work. "W" days are considered part of a Check Airman's monthly work schedule.
- m. X-Type Check Airman: A Check Airman who is qualified as both a "proficiency check pilot-simulator" and a "line check pilot-all seats."

2. Pay

- a. In a seventeen (17) day month, each Captain Check Airman shall receive a monthly salary based on 90:57 hours at the 12th year Captain rate for the highest bid status which the pilot's system seniority can hold.
- b. Twice each year, effective with the contractual month of January for the months of January through June and effective with the contractual month of July for the months of

July through December, the Check Airman salary level will be determined based on the seniority of line pilots in the bid vacancy awards for June and December.

- c. A Check Airman's actual monthly pay is the greater of (1) or (2) below:
 - (1) The Check Airman's monthly salary, as defined in [B.2.a.](#) of this Section,
 - (a) Adjusted downward by 1/17 if the Check Airman was voluntarily scheduled for 16 days and does not work any additional days,
 - (b) Adjusted upward by 1/17 for each additional day scheduled and each additional day worked in excess of 17 days.
 - (2) The total hours in the Check Airman's PPROJ (pay projection) multiplied by 1/90:57 of the Check Airman's monthly salary.
- d. A Check Airman's actual monthly pay cannot exceed the Check Airman's monthly salary plus the equivalent of pay for seven additional hours (7/90:57 of the Check Airman's salary), except as provided in e. below.
- e. During a month in which a Check Airman is scheduled for a recurrent, requalification, international, or D&R training program of six consecutive days or less and has elected to receive pay but no credit for one or more days of training, the calculation of the Check Airman's pay will include all additional days scheduled, all additional days worked, and all additional hours worked as a result of the Check Airman's election. The Check Airman's actual pay in such month is not subject to the limitation in d. above. (Inclusion of any other training program of six days or less will be by mutual agreement between the Company and the Association.)

3. Expenses

- a. A Check Airman performing flight standards work will be reimbursed expenses in accordance with the Basic Agreement.
- b. An X-Type Check Airman who commutes to perform Check Airman functions at the Flight Academy will be paid 36 dollars per day for expenses, and the Company's current daily contract lodging rate if the Check Airman elects not to use the hotel room provided by and arranged for by the Company.

4. Vacations

- a. A Check Airman eligible for more than one week of vacation in accordance with [Section 9](#) of the Basic Agreement may split such vacation according to Table 1, below:

Table 1

Vacation Weeks/Days	Vacation Periods	Eligible Floating Vacation Periods
2/14 - 20	2	1
3/21 - 27	3	2
4/28 - 31	4	3

- b. A Check Airman with fourteen (14) days or more vacation is allowed to take all but seven (7) days of their accrued vacation as a floating vacation(s). A floating vacation grants a pilot the ability to bid on future, Company designated, available floater vacation slots. Floating vacations are awarded in seven-day increments, i.e. each floating vacation slot posted by Flight Training will consist of seven consecutive days. The choice of whether or not to use a floater vacation rests solely with the Check Airman. PVD's will not be deducted from a Check Airman's accrual prior to determining such pilot's eligibility to float a vacation period(s).
- c. A Check Airman on vacation shall have the number of days worked and duty free periods (DFP's) prorated based on Table 2, below:

Table 2

Weeks in Vacation Period	Calendar Days in Vacation Period	Credited Days of Work During Vacation	R-days Remaining After Vacation Period	Additional DFP's Remaining After Vacation Period	Remaining Blank Days That Will Be Converted to DO's for L-Type Check Airmen*
1	7	4	4	4	2 (3)
2	14	8	3	3	1 (2)
3	21	12	2	2	0 (1)
4	28	17	1	1	0 (1)
*figures in parenthesis apply to 31-day month					

d. Vacation while on a line rotation

- (1) A Check Airman on a line rotation in a month containing a vacation award shall have such vacation days converted to hours and deposited in the Check Airman's vacation bank in accordance with [Section 9.B.2.](#)
- (2) Check Airman shall be paid salary for the month unless such Check Airman's vacation award causes more time dropped than the Check Airman has in the vacation bank. In this case, the Check Airman has the option to do additional flying to make up the time not covered, or have the uncovered time deducted from the Check Airman's salary, at such Check Airman's hourly rate. Any vacation bank remaining shall be treated in accordance with [Section 9.G1.f.](#) at such Check Airman's hourly rate.

5. Hours of Service

a. Days

- (1) A Check Airman's days worked in any contractual month are limited to the following monthly maximums:

Days	PROJ
16	90:57
17	96:18
18	101:39

- (2) Seventeen (17) days is the maximum number of days a Check Airman can be scheduled or assigned to work during a month without the Check Airman's concurrence in a non-flex month. At Company option and by fleet and CKA type, the maximum number of days a Check Airman can be scheduled or assigned in a flex month is eighteen (18) days..
- (3) Before the schedule for a given month is finalized and posted , a Check Airman may volunteer to be scheduled for 16 days (17 days in a flex month), in which case the Company shall post a 16 day schedule for the Check Airman. If the Company posts a 16 day schedule and the Check Airman does not work any additional days, the Check Airman's monthly salary shall be reduced by one day's pay in accordance with [B.2.c.\(1\)\(a\)](#) of this Section.
- (4) Once the month begins, provided the Check Airman concurs:
 - (a) A Check Airman originally scheduled for 17 days may, at Company option, volunteer to work up to three (3) additional days, in which case the Check Airman shall receive pay for each additional day worked, in accordance with [B.2.c.\(1\)\(b\)](#) of this Section.
 - (b) A Check Airman originally scheduled to work 16 days may, at Company option, volunteer to work up to four (4) additional days. The Check Airman shall receive pay for each additional day worked in accordance with [B.2.c.\(1\)\(b\)](#) of this section.

- (c) The proffering of additional days shall be done in system seniority order within equipment qualification to X-type CKA assigned to the Flight Academy that month. The Company will first attempt no-cost coverage options before proffering additional days (i.e. cancelled work days, schoolhouse reassignment, Flight Standards unused days, etc.).
- (5) In no case may a Check Airman work more than twenty (20) days in a contractual month, except during a month in which the Check Airman is scheduled for a training program of six consecutive days or less, as provided in (10) below.
- (6) All days that a Check Airman is scheduled to work in a training facility or on the line, including days on which the Company schedules the Check Airman to deadhead, are credited as calendar days worked.
- (7) For an X Type Check Airman, all "W" days will be pre-scheduled prior to the beginning of the month. The Company may cancel in advance a "W" day, or any other work day for which an X Type Check Airman is scheduled, and reschedule such day to an actual work day. Once such day(s) is moved, it may not be subsequently moved again and will be considered a day of work. An X Type Check Airman may be required to perform proficiency flying on a "W" day(s) or any other day(s) on which scheduled work is canceled and such day(s) will be credited as a day(s) of work.
- (8) A Check Airman will receive credit for the greater of the number of calendar days touched or the number of duty periods in a trip sequence, with the following exceptions:
 - (a) A Check Airman will not receive credit for a day of work on which a sequence actually terminates between 0000 and 0200 local time.
 - (b) A Check Airman will receive only one day of credit for a simulator period which starts prior to midnight and terminates after midnight.
- (9) A Check Airman in training status for six days or less shall have the training days counted toward the Check Airman's schedule of work days for that month, except as provided in (10) below.
- (10)(a) During a month in which a Check Airman is scheduled for a training program of six consecutive days or less, the Check Airman has the option to receive pay but no credit for one or more days, up to the number of days in the training program.
- (b) A Check Airman who elects to receive pay but no credit for one or more days of training may choose either of the following options for each day of pay-no-credit training, , provided the Check Airman has 10 DFP's during the month. In no event shall a Check Airman be scheduled for more than 20 days in a 30 day month, or for more than 21 days in a 31 day month.
 - (i) Before the work schedule for the month is finalized and posted, volunteer to be scheduled for additional days, or
 - (ii) Once the month begins, volunteer to work additional days.
- (c) The calculation of the Check Airman's pay for the month will include additional pay in accordance with this Section for all additional days scheduled and all additional days worked as a result of this provision.
- (11) A Check Airman in any training course of seven days or more shall be scheduled in accordance with the provisions of the Basic Agreement for scheduling pilots in training and shall be credited with days worked in accordance with Table 3 below. If a Check Airman's combined credit of days worked during training (from Table 3) plus all scheduled days and all additional days worked, exceeds 17 days in a contractual month (18 days in a flex month), the provisions of this Section shall apply for extra pay.

Table 3

Calendar Days in Training During a Contractual Month	Credited Days of Work During Training	Additional Days to Schedule
7-9	4	13
10 - 11	5	12
12 - 13	6	11
14 - 15	8	9
16 - 17	9	8
18 - 19	10	7
20 - 21	12	5
22 - 23	13	4
24 - 25	14	3
26	15	2
27 - 31	17	0

(12) A Check Airman will not be required, but may volunteer; to do proficiency flying on a displacement basis on days off other than DFP's for no additional pay or days worked credit.

b. Hours

(1) A Check Airman's hours in any contractual month are limited to the following monthly maximums:

Days	PROJ
16	90:57
17	96:18
18	101:39

(2) For a Check Airman scheduled to work 16, 17 or 18 days, the schedule for any assignment cannot cause the PROJ or actual time to exceed their respective monthly maximums.

(3) Check Airmen performing flight standards work shall receive a minimum credit of five hours and twenty-one minutes (5:21) for each duty period, including a duty period which only involves deadheading.

(4) The credit for a day of non-flight standards work is five hours and twenty-one minutes (5:21).

(5) If a Check Airman reports for work on an additional day and the work cancels, and no other work is available, the Check Airman is credited with one day (toward days worked) and two hours (toward PROJ, PPROJ, and actual).

(6) (a) During a month in which a Check Airman is scheduled for a training program of six consecutive days or less, the Check Airman may elect to receive pay but no credit for one or more days, up to the number of days in the training program.

(b) For the number of days elected in (a) above, the daily credit of five hours and twenty-one minutes (5:21) for a day of non-flight standards work will not be applied to the Check Airman's PROJ and actual time. However, the daily credit will be applied to the Check Airman's PPROJ before total pay for the month is calculated.

(c) A Check Airman who elects to receive pay but no credit for one or more days of training may choose either of the following options for each day of pay-no-credit training, provided the Check Airman has 10 DFP's during the month. In no event

shall a Check Airman be scheduled for more than 20 days in a 30 day month, or for more than 21 days in a 31 day month.

- (i) Before the work schedule for the month is finalized and posted, volunteer to be scheduled for additional days, or
 - (ii) Once the month begins, volunteer to work additional days.
- (d) The calculation of the Check Airman's pay for the month will include additional pay in accordance with this Section for all additional hours worked as a result of this provision.

c. Max Duty Day for Other Than Flight Standards Work

Since simulator training periods shall not normally exceed four hours per day, a Check Airman's normal schedule shall be six and one half hours (for example, a two hour brief, four hour simulator period, and one-half hour debrief) subject to the following exceptions:

- (1) The Check Airman's duty day can be extended to 10 hours to complete simulator training with the same originally scheduled students.
- (2) The normal scheduled duty day for a Check Airman, other than a designee, who is scheduled for a simulator session of four hours or less may be extended to seven and one-half hours in order to accomplish pop up training. Such pop up training shall not exceed one hour of simulator time and, except for the purpose of maintaining or re-establishing 90-day Takeoff/Landing Currency, shall not be scheduled between 0045 and 0530 hours.
- (3) For the purpose of conducting up to a maximum of two rating rides, a designee may be scheduled for up to five hours of simulator time and a Check Airman performing pilot not flying (PNF) duties may be scheduled for up to six hours of simulator time.
- (4) No more than two orals or two rating rides can be scheduled in one duty period. Normally, an oral and a simulator rating ride will not be scheduled together in the same day.

d. Maximum Duty Day for Flight Standards Work

- (1) Normally, the scheduled duty period for a Check Airman performing flight standards work shall not exceed a maximum of 14 hours for a Domestic Sequence or 15 hours for an International Sequence, except the sign in and debrief periods may be waived as provided in (2) below.
- (2) For a duty period consisting of flight standards work and ending with a deadhead for the purpose of returning a Check Airman to Base, the Check Airman's sign in and debrief periods will not be included when calculating the length of the Check Airman's scheduled duty period.
- (3) If the exception provided in (2) above is utilized, the Check Airman shall receive 16 hours free of duty beginning at the scheduled or actual arrival time of the trip, whichever is later. The 16 hour duty free requirement shall not apply if there is an operational situation such as a cancellation or misconnect, but not including normal underfly, which makes the exception unnecessary. All other time free of duty will be in accordance with the Basic Agreement.
- (4) In addition, the max duty period in Section 15.C.5 shall be applicable to a Check Airman when performing flight standards work on an augmented sequence to which such duty period is applicable. However, the exception regarding deadheading in (2) above shall not apply to such a duty period.

6. Duty Free Periods

- a. All Check Airmen shall receive 10 prescheduled Duty Free Periods (DFP's) each contractual month. X-Type Check Airmen shall have remaining non-duty days designated as Blank Days. L-Type Check Airmen will have all days not scheduled as duty free periods or work days designated as Blank Days. and during the contractual month the L-Type Check Airman will be notified prospectively that four such days in a 30 day month and five such days during a 31 day month will be converted to DO's. DFP's will be scheduled according to the following:

- (1) CKA may request up to ten (10) prescheduled days off per month as follows:
 - (a) Six (6) "R" (requested) days off. The Company will attempt to accommodate these "R" days based on system seniority within status type.
 - (b) Four (4) "L" (like) days off.
 - (c) During the month, the Company may move prescheduled days off ("R" and "L" days) by mutual agreement.
- (2) After Flight Standards has posted the CKA monthly schedules, each CKA assigned to Flight Standards for the month may identify up to four (4) additional days off, referred to as "Release" days.
 - (a) Release days can be moved without CKA concurrence, but must be moved prior to 1600 Central Time the day prior.
 - (b) Release days cannot be used retroactively; unless by mutual agreement.
- (3) DFP's must be scheduled to run from midnight to midnight.
- (4) DFP's may be moved prospectively by mutual consent. In no case shall a scheduled DFP be changed or moved retroactively.
- b. Except as provided in [5.d.](#) above, off duty rest will be in accordance with the Basic Agreement. Check Airmen shall receive an off duty period in accordance with the Basic Agreement when scheduled for non-flight standards Check Airman work after a duty period of performing line flying or flight standards duties, or when scheduled for line flying duties or flight standards work after a duty period of non-flight standards Check Airman work. For purposes of this paragraph, a Check Airman scheduled for non-flight standards Check Airman work shall be considered the same as a line pilot scheduled for training.

7. Vacancies

- a. Line Pilots seeking a Check Airman position may submit an application which must be updated annually. Interested pilots may submit an application at any time during the year to be effective until the next annual date established by the Company.
- b. When a vacancy occurs, management will issue a notice via electronic means to all Check Airmen of the vacancy. Management will then review all applications including those submitted by line pilots and Check Airmen. Selection of pilots to be interviewed and selection of an applicant to fill the vacancy will be solely at the discretion of management.
- c. Prior to offering a Check Airman vacancy to line pilots, management may at its discretion:
 - (1) Fill the vacancy from within the ranks of current Check Airmen, and/or
 - (2) Follow the displacement procedures in paragraph 8.
- d. If "net" additional days (i.e., the total number of additional days less the total number of unused "W" days) equals or exceeds 17 net additional days per month for eight months in any 12 month period in a specific Check Airman work unit (e.g., 767 X-type Captain, 767 L-type Captain), the Company will appoint one additional Check Airman to that work unit. If net additional days equal or exceed 34 days, two additional Check Airmen will be appointed, and so forth, for each additional increment of 17 net additional days. The Company may appoint an additional Check Airman earlier than required by this calculation, and in such case the requirement for an additional Check Airman will be satisfied through the end of the eighth month in which net additional days exceed 17, or until such pilot is trained as a Check Airman, whichever is earlier. The Association and the Company may agree that an additional Check Airman need not be appointed if the additional days used in the calculation was the result of a long term absence which is expected to end, and would thereby result in a displacement.

8. Displacements

- a. Check Airman Status
 - (1) Check Airman positions are divided into two status types which consists of the following elements:

STATUS TYPES	
L Type	X Type
Base Category Equipment	Category Equipment

- (2) The following procedures shall apply to the displacement of Captain Check Airmen:
- (a) Check Airmen in each status will be ranked by Check Airman longevity in category.
 - (b) Prior to resolving a surplus in a given status, the Company may move Check Airmen from one status to another (e.g., from base to base, from equipment to equipment, from L-Type to X-Type and X-Type to L Type).
 - (c) If a surplus still exists, the Company will proffer any existing vacancy(s) to Check Airmen within the status where a surplus exists.
 - (d) If there are no proffers for the vacancy(s), the Company will proffer a return to the line within the status where a surplus exists.
 - (e) If there are no proffers for return to the line, the Company will, within the status where a surplus exists, return the surplus Check Airmen to the line in reverse order of Check Airman longevity in category.
- (3) Check Airmen returning to the line will not have reinstatement rights to a Check Airman position.

b. Lock-ins

- (1) A Check Airman who is displaced and not proffered another Check Airman position will not incur a lock-in upon returning to the line.
- (2) A Check Airman who returns to a line pilot bid status because of a proffer, resignation or termination as a Check Airman will incur no lock-in unless such Check Airman receives a long training course or displaces a line pilot. In such case a lock-in twenty-four (24) months will be incurred.

9. Proficiency Flying and Line Rotations

- a. X-Type Check Airmen shall fly a minimum of 73 credited hours of proficiency flying each year, except for the first 12 months following the actual introduction of a line pilot bid status on new equipment. Any line flying done prior to becoming a Check Airman shall count towards the 73 hour requirement for the calendar year in which the line flying was performed.
- b. All hours of flying in the performance of duties as a regular line pilot will be counted toward the 73 hour proficiency flying requirement, regardless of whether such flying is performed on a line rotation, on a scheduled work day, or "W" day, or on a day off. All such flying must be coordinated with the Company.
- c. A Check Airman will not be required, but may volunteer, to do proficiency flying on a displacement basis on days off other than DFP's for no additional pay or days worked credit.
- d. Line Rotations
 - (1) (1)X-Type Check Airmen shall fly a minimum of 73 credited hours for proficiency in one line rotation month per calendar year, or via fly W days, at pilot option.
 - (a) Check Airman must designate selection of line rotation or fly W days option annually and no later than October 31st of the previous year.
 - (i) Check Airman hired after October 31st in the previous year will be provided proficiency flying or line rotation, at Company option.
 - (b) Sequences contained within a CKA's line rotation month must begin and end within the contractual month.
 - (c) It is the Check Airman's responsibility to track and accomplish the hours.

- (d) If the minimum number of hours is not accomplished by years end, Check Airmen may, at Company option, be returned to the line.
- (e) The Company is not required to notify APA of Check Airmen annual proficiency flying hours.
- (2) X-Type Check Airmen who select the fly W option shall proficiency fly as follows:
 - (a) Check Airman may request up to four (4) specific consecutive work days per month as fly W days, until the annual hours is reached. The Company will allocate as available.
 - (b) At Company option, the Company may schedule fly W days with a sequence(s) from open time or posted for drop.
- (3) An X-Type Check Airman who selects the line rotation option shall line rotate at any base the Check Airman chooses, and without bidding restrictions.
- (4) A Check Airman on a line rotation month shall be paid the greater of such pilot's pay projection (PPROJ) or 90:57 hours.
- (5) The line rotation or fly W requirement does not apply to an L-Type Check Airman.
- (6) If a Check Airman's line rotation month coincides with a scheduled eighteen (18) day month in the Check Airman's fleet type, the Check Airman will be paid the greater of PPROJ or 96:18 hours, provided the Check Airman is a lineholder and works eighteen (18) calendar days in that month. A Check Airman on a line rotation month who works less than eighteen (18) calendar days shall be paid the greater of such pilot's pay projection (PPROJ) or 90:57 hours.
 - (a) A Check Airman on a line rotation may use make up, TTS, Voluntary Duty on DFP/DOs and is subject to reassignment.
 - (i) If a Check Airman's hourly projections are reduced voluntarily by the Check Airman (e.g., using TTS to drop a trip), the Check Airman's PPROJ and the hourly equivalent of the Check Airman's monthly salary (90:57 hours, 96:18 during a flex month) will be reduced by the scheduled time of the reduction.
 - (ii) Following a reduction of a Check Airman's PPROJ and monthly salary as provided in (a) above, any time which subsequently increases the Check Airman's PROJ will be added to the Check Airman's monthly salary up to a maximum of 90:57 hours (96:18 during a flex month), and to the Check Airman's PPROJ.

10. Long Term Sick and Disability

A Check Airman who is placed on long term sick leave or disabled status will be given the choice of remaining as a Check Airman or returning to a line pilot bid status which the Check Airman can hold. The Company will address special situations on an ad hoc basis.

11. Grievances

Any Check Airman having a grievance concerning any action of the Company shall be entitled to the same right of investigation, hearing, and appeal as specified in the Basic Agreement, the only exception is that the initial hearing will be conducted by the appropriate Fleet Manager.

12. Reporting Requirements

The Company will provide APA with the Monthly Check Airman Report.

C. Flight Test

1. Maintenance and Engineering may elect to have dedicated Flight Test Captains and First Officers to support ongoing maintenance programs. In such case, the Flight Test pilots shall be domiciled in the contiguous 48 United States at a location(s) designated by the Company. In the event the Company decides to establish a domicile outside of the contiguous 48 United

States, the parties will meet to discuss and establish mutually agreeable terms for such domicile.

- a. Flight Test pilots performing Flight Test work shall do so under a two (2)-part bid status (i.e., TUL/CA). Flight test pilots performing line flying shall do so under a four (4) part bid status for Base assigned, Category, Equipment and Divisions for which he/she is qualified i.e. TUL/CA/767/I.
- b. Flight Test Pilots who do not reside within 100 miles of their Flight Test domicile will be provided a hotel room by the Company at their domicile when performing assigned duties at such domicile.

2. Flight Test Pilot Filling of Vacancies:

Flight Test is not a pilot bid position. Management will issue a notice of the vacancy via electronic means. Selection of pilots to be interviewed and selection of an applicant to fill a vacancy will be solely at the discretion of the Company. Flight Test Captains must be able to hold a Captain position somewhere in the system.

3. Equipment Qualifications:

- a. Flight Test pilots shall maintain a minimum of two (2) aircraft qualifications. Assignment to a maximum of three (3) aircraft type qualifications must be by mutual agreement.
- b. Flight Test pilots will be assigned aircraft types to be qualified on.
- c. Flight Test Captains can fly in either of the seats for each aircraft qualification, at the Company's discretion.

4. Duty Limits

- a. Flight Test pilots performing non-revenue flying shall be subject to the general operating and flights rules as specified in the Federal Aviation Regulations, 14 CFR Part 91, and the flight time limitations, duty limitations, and rest requirements specified in this Section 12.C.
- b. Normally, the scheduled duty period for a Flight Test pilot performing work shall not exceed a maximum of 14 hours for a Domestic Sequence or 15 hours for an International, Sequence except the sign in and debrief periods may be waived as provided in d. below.
- c. For a duty period consisting solely of deadhead, the scheduled duty period shall not exceed 19 hours. For a duty period consisting of work and ending with a deadhead for the purpose of returning the Flight Test pilot to base, the Flight Test pilot's sign in and debrief periods will not be included when calculating the length of the Flight Test pilot's scheduled duty period.
- d. If the exception provided in b. above is utilized, the Flight Test pilot shall receive 16 hours free of duty beginning at the scheduled or actual arrival time of the trip, whichever is later. The 16 hour duty free requirement shall not apply if there is an operational situation such as a cancellation or misconnect, but not including normal under fly, which makes the exception unnecessary. All other time free of duty will be in accordance with the Basic Agreement.
- e. In addition, the maximum flight duty period for a Flight Test pilot when performing work on an augmented flight shall be 17 hours for a three pilot crew and 19 hours for a four pilot crew.
- f. Flight Test pilots shall be afforded no less than 10 hours free from duty in any given 24 hour period. The Company shall establish a normal rest period for each domicile (e.g. TUL may be established as 2100-0700 HBT). At the Company's discretion, a Flight Test pilot's normal rest period may be changed with notice to the pilot. Normally, such notification shall be made during a Flight Test pilot's duty period, in person or in the form of a phone call, voicemail, text, email, or other electronic means. If notified during a Flight Test pilot's duty period the Flight Test pilot shall be required to acknowledge such notification before the end of the duty period. Where such notification occurred during a Flight Test pilot's rest period, the pilot is required to acknowledge such notification at the start of the pilot's duty period. Additionally, in circumstances where a Flight Test pilot has coordinated work directly with the MOC, resulting in a changed rest period, the Company shall have met its notification obligation under this paragraph.

- g. Flight Test pilots performing line flying shall be subject to the flight time limitations, duty limits, and rest requirements as specified in Section 15.C of the Agreement and the Federal Aviation Regulations, 14 CFR Part 117.

5. Days of Work

- a. Each contractual month, Flight Test pilots will be scheduled or assigned seventeen (17) work days. After the beginning of the contractual month, Flight Test pilots may volunteer for additional days offered by the Company. Flight Test pilots on assignment may be proffered additional days before other Flight Test pilots.
- b. Flight Test pilots will submit six (6) NEED days and four (4) LIKE days for each contractual month. By mutual agreement, Flight Test pilots may work or fly (with appropriate buffers for the work being performed) on a LIKE or NEED day or may fly the line.
- c. Flight Test pilots may be proffered a full or partial month TDY. TDYs for an individual pilot will be limited to a cumulative total of 90 days in a rolling twelve month lookback period.
- d. Flight Test pilots may be assigned line flying. Flight Test pilots are eligible to pick up line flying on their days off in accordance with 15.L.4 using the four (4) part bid statuses as defined in [Section 12.C.1](#) above and where such flying does not impact the pilot's availability on Flight Test work days.
- e. By mutual agreement, Flight Test pilots may fly line trips (with appropriate buffers) on their days off if the Company determines a need exists. A Flight Test pilot must be notified of the assignment at least twelve hours prior to the sequence, and the pilot must meet all qualification requirements for the sequence.
- f. Flight Test pilots will be assigned to train on scheduled work days when feasible in light of operational needs as determined by the Company.
- g. Flight Test pilots may be scheduled to accomplish all or part of their training on scheduled days off.
- h. During a month in which a Flight Test pilot has training less than six (6) days, the Flight Test pilot has the option to receive pay but no credit for one or more training days, up to the total number of days in training.
- i. Flight Test pilots may train by distance learning and will be compensated in accordance with the Basic Agreement.
- j. In the event a Flight Test pilot undergoes five (5) days of training or less in a contractual month, such pilot will be paid on a per day basis. Pay for training of six (6) days or more in a contractual month, will be in accordance with the table below:

Calendar Days in Training During a Contractual Month	Credited Days of Work During Training
6-9	5
10 - 11	6
12 - 13	7
14 - 16	8
17 - 18	9
19 - 20	11
21 - 23	15
24 - 25	16
26 or more	19

- k. Flight Test pilots may be assigned line flying and/or other non-flying work, duties and responsibilities.
 - l. Flight Test pilots may conduct more than one type of work on the same day. For example a pilot may, attend a meeting and fly, conduct training (excluding simulator training) and fly, deadhead and fly, provided all rest and flying requirements are met.
 - m. A Flight Test pilot will be reasonably available by surface transportation at their Flight Test domicile in order to accept an assignment on the first scheduled day of duty through the last scheduled day of duty.
6. Monthly & Vacation Bidding Procedures
- a. The final schedule for the next bid month shall be published no later than the 28th day of the current month.
 - b. A Flight Test pilot eligible for more than one week of vacation in accordance with Section 9 of the Basic Agreement may split such vacation according to Table 1, below:

Table 1

Vacation Weeks/Days	Vacation Periods	Eligible Floating Vacation Periods
2 / 14 – 20	2	1
3 / 21 – 27	3	2
4 / 28 – 31	4	3

- c. A Flight Test pilot with fourteen (14) days or more vacation is allowed to take all but seven (7) days of his/her accrued vacation as a floating vacation(s). A floating vacation grants a pilot the ability to bid on future, Company designated, available floater vacation slots. Floating vacations are awarded in seven-day increments, i.e. each floating vacation slot posted by Flight Training will consist of seven consecutive days. The choice of whether or not to use a floater vacation rests solely with the Flight Test pilot. PVD's will not be deducted from a Flight Test pilot's accrual prior to determining such Flight Test pilot's eligibility to float a vacation period(s).
- d. A Flight Test pilot on vacation shall have the number of days worked and duty free periods (DFP's) prorated based on Table 2, below:

Table 2

Weeks in Vacation Period	Calendar Days in Vacation Period	Credited Days of Work During Vacation
1	7	4
2	14	8
3	21	12
4	28	17

7. Compensation

- a. Flight Test pilots assigned two (2) or three (3) aircraft qualifications shall be paid a monthly salary of 90:57 hours, based on a seventeen (17) day month schedule, at the appropriate 12th year rate (Captain or First Officer) for the highest bid status which the pilot's system seniority can hold.
- b. Flight Test pilots pay shall be adjusted upward by 1/17 for each additional day scheduled or each additional day worked in excess of 17 days.
- c. Twice each year, effective with the contractual month of January for the months of January through June and effective with the contractual month of July for the months of July through December, the Flight Test Pilot salary level will be determined based on the seniority of line pilots in the bid vacancy awards for June and December.
- d. Flight Test pilots assigned line flying will be compensated for the greater of the value of the sequence or 1/17th of their monthly salary for each day of line flying.
- e. A Flight Test pilot scheduled for duty in excess of 15 hours in a single duty period shall be paid for two (2) duty periods. Additionally, such duty period shall count as two (2) days of work.

8. Displacement Procedures

- a. The following procedures shall apply to the displacement of any Flight Test pilots:
 - (1) The Company will proffer return to the line to all Flight Test pilots.
 - (2) If there are insufficient proffers for return to line flying, the surplus Flight Test pilot(s) will be displaced in reverse order of Flight Test longevity.
 - (3) Displaced Flight Test pilots will assume any bid status to which they are entitled by seniority and shall not incur a lock-in.
 - (4) No pilot recall rights exist to a Flight Test position.

9. Non-revenue flying may be accomplished by any AA pilot who is appropriately qualified.

SECTION 13

SENIORITY

A. Service with Company

Seniority as a pilot shall be based upon the length of service as a flight deck operating crew member with the Company except as otherwise provided in [Sections 11](#) and [12](#) of this Agreement.

B. Seniority Date

Seniority shall begin to accrue from the date a pilot is first assigned to air line flying duty and shall continue to accrue during such period of duty except as provided in [Sections 11](#) and [12](#) of this Agreement.

C. Retention of Seniority

A pilot once having established seniority shall not lose such seniority except as provided in this Section, nor shall such pilot's relative position on the Pilots' System Seniority List be changed for any reason, including disciplinary action, except as provided in paragraph B. of this Section.

D. Basic Seniority Rule

Seniority shall govern all pilots in case of promotion, demotion, their retention in case of reduction in force, their recall from furlough, their assignment or reassignment due to expansion or reduction in force or schedules, and their choice of vacancies, provided that the pilot is sufficiently qualified for the conduct of the operation to which he is to be assigned. In the event a pilot is considered not to be sufficiently qualified, the Company shall promptly furnish such pilot written reasons therefore. This paragraph shall apply, provided that certain other rules in this Agreement stipulating specific methods and procedures of applying system seniority shall govern such application of system seniority only to the extent of the specific provisions of such rules.

E. Failure to Qualify in Turn

When a junior pilot is promoted over a senior pilot, by reason of the failure of the latter to qualify in his turn, the senior pilot shall continue to retain his position on the Pilots' System Seniority List.

F. Loss of Seniority

1. Resignations, Retirement and Discharges

A pilot who resigns from the service of the Company, retires, or is discharged for just cause, shall forfeit all seniority as a pilot.

2. Failure to Return from Furlough

When a pilot who has been furloughed is offered, by written notice from the Company, the opportunity to return to duty as a pilot and such pilot elects, by written statement to the Company, not to return to such duty, or if a recalled pilot fails to comply with the requirements of [Section 17.W](#) of this Agreement, his seniority right of preference in re-employment shall at that time terminate, and all his seniority as a pilot shall be forfeited.

3. Duration of Recall Rights

A pilot shall retain recall rights indefinitely until refused under 2. above.

4. Retention of Company Benefits

Upon return from furlough, a pilot shall receive all Company benefits accruing by reason of his previous active service.

G. System Seniority List

1. Seniority List Supplied by Company

The Company shall make available to each pilot, within thirty (30) days after July 1st of each year, a Pilots' System Seniority List, effective July 1, which contains the names of all pilots arranged in the order of system seniority, whether active or inactive, and the seniority date of each pilot. Such list shall also reflect each pilot's normal retirement date.

2. Protests

- a. A pilot shall be permitted a period of thirty (30) days after any posting of the Pilots' System Seniority List, each year, in which to protest to the Company any omission or incorrect posting affecting his seniority.
- b. A pilot on leave or away from his base station at the time of posting of the list shall have a period of thirty (30) days from the date of his return to his base station during which to file such protest.
- c. Any incorrect posting or any other discrepancy which went unprotested on the annual list in which it first appeared shall not be protested on any subsequent annual posting except that typographical and clerical errors may be corrected at any time.

SECTION 14

PROBATION PERIOD

A pilot shall be on probation for the lesser of:

- A.** Twelve (12) months active service, excluding any LOA, starting on the first day of employment as a pilot with the Company;
- B.** Four hundred (400) credited hours for sequences actually flown and the successful completion of the first Continuing Qualification or non-initial Qualification training event.

No pilot shall be placed on probation after the above requirements have been met.

SECTION 15

HOURS OF SERVICE and WORK RULES

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A. General

1. Joint Scheduling Committee
 - a. The Association and the Company will form individual Scheduling Committees that together will comprise the Joint Scheduling Committee (JSC). The JSC may evaluate and make recommendations concerning:
 - (1) Sequence construction, generation, and review;
 - (2) Bid line awards;
 - (3) Training bids and awards;
 - (4) Reserve line awards, staffing and utilization;
 - (5) Trip Trade System (TTS) and trip trades with open time;
 - (6) Vacations;
 - (7) Block hour adjustment;
 - (8) PBS line construction parameters;
 - (9) Domicile and Home Base block hour allocations by equipment; and
 - (10) Fatigue mitigation recommendations from the FRC; and
 - (11) Other scheduling related issues of mutual interest agreed upon by the Association and the Company.

- b. The JSC may enter into agreements, in the form of a temporary memorandum of understanding, of no greater than two (2) consecutive bid periods in order to modify or integrate the scheduling functions in paragraph a. above. The two (2) month consecutive bid period may be extended by mutual agreement.
- c. Data Access
 - (1) The Association members of the JSC shall be provided access to and will use all methods, data, and reference materials that it determines are reasonable and necessary to affect their work. The JSC shall coordinate the timely exchange of data and reports, as well as the format, content, and media of such information. To the extent possible, the Association members shall have independent access from locations other than Company locations.
 - (2) It is understood by the parties that some information may be identified by the Company as privileged. The Association agrees to keep this information confidential until informed otherwise by the Company.
- d. Meetings
 - (1) Meetings shall be held quarterly, or more often, as deemed appropriate by the JSC, and in a place of its choosing.
 - (2) The Association and the Company will exchange, maintain, and update points of contact between their respective subcommittees. The respective committees need not physically meet as a whole to complete their work. However, both the Association and the Company must be equally engaged before recommendations are approved.
 - (3) The Company shall provide the APA JSC participants with Association leave from flying duties when the requirements of the Company permit.
- e. Recommendations
 - (1) Contemplated changes to crew resource methodologies pertinent to the future allocation and line construction process will be discussed jointly prior to their implementation.
 - (2) The Company will consider recommendations made by the JSC regarding the priority to be placed on controllable variables used in the production of allocations (i.e. sequences) and other areas reviewed by the JSC.
 - (3) The Company shall implement mutually agreed upon recommendations of the JSC in a timely manner.

2. Periodic Review of Forecast Accuracy

The JSC will develop methods for improving the usefulness and accuracy of the three and six month pilot job forecast information that is provided to pilots in accordance with Section 17.F.1.d. of the Agreement.

3. Preferential Bidding System (PBS)

- a. At the appropriate time and before implementation, but not later than June 30, 2013, the Company and the Association shall negotiate in good faith a PBS Memorandum of Understanding (MOU).
- b. Both the Company and the Association shall mutually agree on subsequent changes to the PBS MOU.
- c. The most recent PBS Memorandum of Understanding (MOU) shall govern PBS.
- d. All PBS algorithms, logic, bidding options, interface, PBS versions, etc, shall be mutually agreed upon and shall not be changed without mutual agreement. The Company shall not substitute, alter, or modify the software or hardware in a way that affects the functionality of the PBS without the prior written consent of the PBS Working Group.
- e. PBS will allow each pilot in a four part bid status to bid for and be awarded a line based on programmed award logic, FARs, the Collective Bargaining Agreement and the pilot's:
 - (1) known absences;
 - (2) bid preferences;

- (3) seniority.
4. Preferential Bidding System Working Group (PWG)
- a. The PWG is a subcommittee of the Joint Scheduling Committee and shall be comprised of six voting members and others as designated below:
 - (1) Company Members: Managing Director of Operations Planning or equivalent and two additional Company representatives;
 - (2) Association Members: APA Deputy Chairman/Scheduling and two additional representatives of the Technical Analysis and Scheduling Committee (TASC);
 - (3) Additional non-voting Company and/or Association representatives may be added to the PWG as necessary by the mutual consent of the Managing Director of Operations Planning and the APA (TASC) Deputy Chairman/Scheduling.
 - b. The PWG will be responsible for the oversight of the development, training, implementation, introduction schedule, and continuing administration and operation of PBS as set forth herein. In carrying out these responsibilities, the PWG will consider both operational efficiency and pilot quality of life.
 - c. The PWG will meet at a mutually acceptable time and place to ensure this Agreement continues to provide both realistic operational efficiency and pilot quality of life as described below:
 - (1) In the first six months after PBS implementation, the PWG will meet at least monthly;
 - (2) In the second six months after PBS implementation, the PWG will meet at least bimonthly; and
 - (3) Thereafter, the PWG will meet at least quarterly unless mutually agreed otherwise.
 - d. The PWG shall have regular and timely access to the PBS vendor, PBS servers, and communications between the Company, the Association and the PBS vendor necessary to oversee and administer PBS as set forth herein.

B. Notification

- 1. The Company shall maintain a standard method of notifying pilots of the scheduled departure time of their sequences. When the scheduled departure time is appreciably delayed, pilots shall be notified as far in advance as is practicable, consistent with the circumstances. At originating stations, every effort shall be made to promptly notify pilots of any cancellation, delay or deferment of their trips.
- 2. To the maximum extent possible, electronic notification and acknowledgment between the Company and pilots will be used for open time assignments.
- 3. While on duty, pilots are expected to respond to Company attempts to notify them of changes to their current sequence.
- 4. Reserve pilots are responsible for being contactable while on Short or Long Call Duty, and are expected to respond to Crew Schedule without unreasonable delay.
- 5. The Company may notify the crewmember via ACARS of schedule changes provided that the notification can be made during non sterile periods.
- 6. Pilots shall not be required to keep the Company advised of their whereabouts on days off, while on vacation or while on layover, except that pilots on international layovers will leave contact information if they do not use the layover facilities provided by the Company.
- 7. It shall be the responsibility of pilots who are unable to report for duty to notify, as far in advance as possible, the controlling Chief Pilot or a designated representative of this fact, giving the reason for their inability to report for duty.
- 8. Pursuant to protecting a pilot's sleep, calls between 0000 and 0700 to inform a pilot of an assignment, delay or cancellation of an assigned flight should be made as late as possible.

The intent is to avoid interrupting rest with telephone calls that can be made at a different time.

9. Recording of Phone Calls

- a. Where such recordings are permissible with applicable legal and/or regulatory requirements, the Company shall create and maintain recordings of telephone calls between pilots and Crew Schedule/Tracking, Planning and Pay Compensation. Conversations shall be recorded and stored digitally.
- b. The intent of recording incoming and outgoing phone calls is to raise the level of decorum and professionalism within and between the parties, and to assist in the resolution of scheduling and pay-related issues as necessary.
- c. All parties will be notified as soon as practicable, but in no case less than thirty (30) days in advance that audio recordings will be implemented.
- d. A recording notification disclaimer shall be included on initial contact. The recording shall run continuously for the duration of each call, with no ability to selectively start and stop such recording.
- e. The Company shall retain the recorded phone calls for a period of ninety (90) days, and absent an identified request or legal requirement as specified in this paragraph, all recordings will be automatically deleted at the 90-day point. Either party may request retention of a relevant recording associated with contractual issues on pay, planning or scheduling beyond the ninety (90) day period. Such recording(s) will be retained until both parties agree that the specific issue has been resolved. Nothing in this paragraph is intended to limit the Company's ability to satisfy its legal obligations with regard to the preservation of evidence, provided that in the event the Company determines it is legally obligated to preserve any recording covered by this paragraph the Company shall promptly notify the Association of such determination and provide an explanation of the nature of the legal obligation requiring preservation and when the obligation arose.
- f. When an issue is identified by either party, the call may be reviewed by a representative of both the Company and the Association. A recorded conversation may only be copied or transcribed to hard copy with the mutual consent of all parties involved. The specific details of the recorded call shall remain confidential.
- g. Recordings, transcripts, copies, or information obtained from a recorded conversation may not be used in any disciplinary proceeding or process.
- h. The Association may terminate the telephonic recording system with a minimum of thirty (30) days' notice. Upon termination, Supplement G (Commuter Policy) shall be replaced by the May 19, 2004 version.

C. Flight Time and Duty Time Limits

1. Monthly Maximums

- a. Pilots flying Group I aircraft may pick-up as restricted only by FAR limits.
- b. Pilots flying Group II through V aircraft may pick-up to the lower of the following:
 - (1) That pilot's particular Individual Monthly Maximum ([IMAX](#)) as defined in 2. below
 - (2) The Company Limit on Voluntary Flying established by the Company for that pilot's bid status for a particular month.
 - (3) FAR limits

2. Individual Monthly Maximum (IMAX)

- a. A pilot's IMAX is calculated by subtracting the Retrospective Factor and the Prospective Factor from 1080.
 - (1) The Retrospective Factor is the total of the pilot's credited projection (PROJ) for the previous eight (8) months not counting the current month. A pilot's actual PROJ in the most recent of the previous eight (8) months will be used in determining the Retrospective Factor.

- (2) The Prospective Factor is the estimated credited projection for the next three (3) months (e.g. 246 hours assuming the PROJ is 82 hours).
 - (3) The number that remains is the current month's IMAX.
 - b. The IMAX is intended to limit a pilot to an average of ninety (90) credited hours per month in a rolling twelve (12) month period, except as provided for in [Section 15.N.](#) and [15.I](#)
 - c. The [JSC](#) will make appropriate adjustments to the Prospective Factor, if needed, to yield a result that meets the intent of b. above.
3. Limit on Voluntary Flying
- a. The Company may establish a limit on voluntary flying for any particular bid status for any contractual month. This limit will never be less than that particular bid status' MALV + 7 hours.
 - b. In any bid status in which the Company establishes a limit on voluntary flying, a pilot may exceed the limit only if the sequence to be picked up from another pilot could not be dropped into open time, and the sequence could not be dropped to another pilot in the same bid status without the pilot exceeding the limit.
4. Reserve Pilot Limits:
- a. Reserve pilots can be assigned flying up to eighty-five (85) hours. Reserve pilots may elect to fly on days off at Company option and will be paid above guarantee. Total credited hours of flying on days off and on reserve days shall not exceed the lesser of the pilot's [IMAX](#) or the greater of eighty-five (85) hours or the limit on voluntary flying established by the Company for their bid status.
 - b. Flying on, into, or out of a Reserve pilot's days off will be excluded in the eighty-five (85) hour assignment maximum. In the event the Company awards a Reserve pilot a sequence on a DFP, pay for that sequence will be applied above guarantee or PPROJ (whichever is greater), no credit.
- Example: The Company has placed a 90 hour limit on voluntary flying for a particular month. A reserve pilot picks-up a 15 hour sequence on his days off. The 15 hour pick-up sequence is treated as follows:
- (1) 15 hours is added to the pilot's PROJ, and the pay is applied above guarantee
 - (2) The first 5 hours of the sequence is attributed to the difference between the 85 hour reserve assignment maximum and the Company Imposed Maximum, and the remaining 10 hours counts towards the 85 hour reserve assignment maximum.
5. Hours of Service
- a. Flight time limitations, duty limitations and rest requirements shall be as specified in the Federal Aviation Regulations, 14 CFR Part 117, with the following exceptions:
 - (1) Home Base Time (HBT) will be used to determine on duty periods under this Section, unless a flight crew member is acclimated, as defined in 14 CFR Part 117, in a theater that does not include his home base.
 - (2) Flight Duty Periods scheduled with flying greater than eight (8) hours and that touch the WOCL (0200-0559 HBT) require three (3) pilots.
 - (3) Flights with a scheduled block time of greater than sixteen (16) hours will be scheduled with a crew complement of two (2) Captains and two (2) First Officers. The Company is not required to crew two (2) Captains and two (2) First Officers for flights with scheduled block times of less than or equal to 16:00 hours in instances where the flight plan exceeds 16:00 hours.
 - (4) A crew bunk(s) is required for flights scheduled for greater than twelve (12) hours for each additional crewmember.
 - (5) Delays while on layover in the Long Haul environment
 - The Company may notify crews on layovers prior to:
 - (a) scheduled transoceanic international flights, or
 - (b) flights to or from Hawaii and Alaska, or

- (c) flights to or from destinations south of Equator,
of departure delays via the following procedures:
 - (i) At anytime prior to ten (10) hours before originally scheduled sign-in time the Company may notify the crew of the delayed departure time permitting the commencement of a new ten (10) hour rest period (twelve (12) hours rest period if the rescheduled departure time would cause the FDP to sign-in before and operate into the WOCL) and corresponding new FDP based on the delayed departure time.
 - (ii) If within ten (10) hours of the originally scheduled sign-in time, the Company is made aware of a departure delay, the Company may notify the layover crew of a departure delay provided the notification is made no later than two (2) hours before originally scheduled hotel departure time by:
 - [1] Silent insertion of delay note under hotel room door and/or silent operation of message waiting light in hotel room.
 - [2] Adjustment of any scheduled wake-up calls commensurate with the amount of the delay.
 - [3] This notification will qualify for the use of the FAR 117 short call reserve RAP/FDP provisions to provide a larger duty window within which to complete the flight by placing the pilot in a RAP starting at the originally scheduled sign-in time.
 - [4] The steps in [1] and [2] above should be accomplished as soon as possible after Company becomes aware of the delay so as to maximize crew rest.
- (6) Shifting Limits: The following provisions apply to any assignment within the 24 hours following the start of a Short Call RAP assignment that is not contained within the Short Call RAP:
 - (a) A subsequent RAP or trip sequence that does not impinge on the WOCL shall not commence or sign in any earlier than nineteen (19) hours after the start time of the previous RAP.
 - (b) A subsequent RAP or trip sequence that impinges on the WOCL shall not commence or sign in any earlier than twenty-one (21) hours after the start time of the previous RAP.

Example: A pilot in a 0700 RAP may only be shifted as early as 0400 from one day to the next (21 hours for a WOCL RAP), while a pilot in a 1100 RAP may be shifted to a RAP as early as 0600 (19 hours for a non-WOCL RAP).

 - (c) A Short Call pilot may not be released from the current RAP and assigned to a later RAP or trip sequence that violates the above limits.
 - (d) When shifting to an earlier RAP as a result of DOTC processing, a Short Call Reserve pilot, during the verification process between 1500-1600 HBT, will:
 - (i) verify their current RAP's adjusted completion time and commencement time of a RAP (if any) for the following day.
 - (ii) be released from the current RAP at the adjusted completion time in order to provide a minimum of ten (10) hours rest prior to commencement of the follow-on RAP.
 - (e) The shifting limits do not apply following a DFP or other planned absence.
- (7) Upon completion of a sequence, which includes debrief, Reserve pilots shall have a 12-hour Domicile Rest period.
- b. A pilot shall not remain on duty beyond the limitations of paragraph a. above.
- c. In the event FAR 14 CFR Part 117 is amended in a way that results in relaxing the previous standards required by the Regulations, the Company and the Association agree to review the specific provisions of Section 15 impacted by the amendment. Such relaxed standards and any related changes to Section 15 shall only be implemented by mutual agreement between the parties.

- d. A pilot's scheduled or rescheduled on duty period shall commence:
 - (1) One (1) hour prior to the scheduled or rescheduled departure time for a pilot flying the first flight of a duty period, or thirty (30) minutes prior to the scheduled or rescheduled departure time for a pilot deadheading on the first flight of a duty period, and shall continue until fifteen (15) minutes after the scheduled arrival time of the duty period's last flight assignment for Domestic Sequences and thirty (30) minutes after scheduled arrival time of the duty period's last flight assignment for International Sequences. [See Q&A [15-3](#), [15-4](#), [15-5](#)]
 - (2) Such scheduled or rescheduled on duty period shall run continuously unless broken by a scheduled or rescheduled rest period.
 - e. The required reporting times of one (1) hour, or thirty (30) minutes, and the fifteen (15) or thirty (30) minutes debriefing times, are to be considered a part of all on duty periods.
 - f. A pilot deadheading shall be considered on duty, provided that the Company may approve such pilot's request to exceed on duty limitations for the purpose of deadheading to the pilot's base. [See Q&A [15-6](#)]
 - g. In actual operations, an on-duty period shall commence at the required reporting time, specified in [C.5.d](#).(1) and C.5.e. above, but in any event not less than one (1) hour before departure and shall run continuously unless broken by a required rest period.
 - h. If sequence termination at the pilot's base is at a co-terminal other than the original point of departure, there shall be added one (1) hour to the on duty period for the purpose of allowing for the use of Company furnished transportation as set forth in Section 24.J. of this Agreement. However, this hour shall not be construed to be a part of the on duty period.
 - i. The Company, with input from the [JSC](#) and the FRC, shall establish and publish any appropriate buffers, restrictions and limitations to be used in both scheduled and actual operations in addition to the FAR Flight Time and Duty Time limitations and rest requirements. These additional requirements will be used to facilitate schedule and operational reliability and address fatigue issues as identified by the JSC and FRC.
6. Required 30 Hour Rest Period Placement
- Required 30 hour rest periods on a Duty Free Period (DFP) will be positioned to end at the later of:
- a. the end of the DFP, or
 - b. the beginning of the pre-assigned RAP, if applicable, following the DFP.
7. Fly Through Time
- Fly through time from one month to another shall be paid and credited in the month in which the sequence terminates. All fly through time on a pilot's schedule at the time the bid lines are being awarded shall be credited towards a pilot's monthly bid line maximum.
8. No pilot shall be assigned any duty with the Company during any rest period.
9. Duty aloft includes the entire period during which a pilot is assigned as a member of an airplane crew during flight time.
10. Scheduled for duty aloft means the assignment of a pilot on the basis of the flight time established in the operations schedules rather than actual flight time.
11. Flight time is the time from the moment the airplane first moves for the purpose of flight until it comes to rest at the next point of landing (block-to-block time). However, when the Captain elects to delay starting engines due to quoted takeoff delays, flight time will, at the option of the Captain, be considered to begin at the time the aircraft would normally have departed,

and such delay time shall apply for pay and credit purposes and monthly credited time, but will not be included in duty aloft time.

12. The Company will maintain a computer tracking and alert system in order to provide prospective notification to crewmembers who may require an FAR required rest period.
13. Maximum Flight Time Pay and Flight Time Credit
 - a. Except as set forth in [H.10](#) of this Section, flight time pay and flight time credits provided in paragraphs [E.](#), [F.](#) and [G.](#) of this Section are not cumulative, but only the greater will apply.
 - b. A pilot shall be entitled to only the flight time pay and flight time credit for scheduled or rescheduled time away from base, as provided in [F.1](#) of this Section, when the pilot's return to base is delayed by a strike or work stoppage which substantially affects the operation of the Company; provided, if the pilot is returned to base by the Company, in this specific case, the return deadhead transportation to the pilot's base is called "pilot's convenience", and no reschedule is involved.
 - c. The provisions of [F.1](#) of this Section shall not apply beyond the first twenty-four (24) hours of excess time away from base resulting from the delay in a pilot's return to base due to an official NOTAM which closes, for a period of twenty-four (24) hours or more, the airport at which such pilot is laying over or at which such pilot is forced to layover as the result of such airport closing, provided that such pilot is assigned by the Company to deadhead to base via the first available deadhead transportation, or assigned by the Company to deadhead to base via air transportation within six (6) hours after the first American Airlines flight operates into or out of the airport at which such pilot is laying over. In this instance, excess time away from base shall be the difference between the time such pilot actually arrives at base and the time such pilot would have arrived had there been no airport closing.

In the circumstances set forth above, when such pilot is assigned by the Company to remain at the layover station, the normal provisions of [E.1.](#), [F.1](#) and [G.](#) of this Section shall be applicable.

D. Line Construction

1. General
 - a. Lines will be built for each monthly bid period using a Preferential Bidding System (PBS). Pilots will be awarded lines based on their seniority given their individual preferences for days off, sequences, recurrent training, layover cities, and other criteria, as applicable.
 - b. The Monthly Average Line Value (MALV) will be determined by the Company for each four-part bid status as follows:
 - (1) For Group I aircraft the MALV will be no less than seventy-two (72) hours nor greater than eighty-eight (88) credited hours in any four-part bid status (Base, Equipment, Category, Division) for any contractual month.
 - (2) For Group II thru V aircraft the MALV will be no less than seventy-two (72) hours nor greater than eighty-four (84) credited hours in any four-part bid status (Base, Equipment, Category, Division) for any contractual month.
 - (3) Basing the MALV on a four-part bid status may be modified by mutual agreement of the parties.
 - c. The Line Construction Window (LCW) will be based on the MALV for each individual bid status. The LCW shall be plus / minus four (4) hours for pilots in Group I, and plus / minus seven (7) hours for pilots in Groups II - V. The LCW may be modified by mutual agreement of the parties.
 - d. The Rolling Average Line Value (RALV) is the average of the most recent twelve (12) contractual month MALVs for a particular bid status. The RALV must be maintained between:
 - (1) For Group I aircraft 74 and 86 credited hours

- (2) For Groups II through V aircraft 74 and 82 credited hours
- e. The Company has the authority to increase the upper limit of the MALV and RALV for bid statuses in Groups II through V by one (1) hour commencing with calendar year 2015 if:
- (1) Lineholder projection (including any uncredited premium flying and displacement pickup) during the "Measurement Period" (May through August), averages less than the RALV + five (5) hours, the "Measurement", then the MALV and RALV shall be increased by one (1) hour to a maximum 85 MALV and a maximum 83 RALV for the following calendar year. For purposes of the Measurement, the RALV will be calculated for each two-part bid status (Seat and Equipment) in September, looking back over the previous twelve (12) months.
 - (2) For any calendar year in which the MALV and RALV are 85 and 83 respectively, the "Measurement" (including any uncredited premium pickup and displacement pickup) shall be reduced to RALV + four (4) hours for the "Measurement Period". If the Measurement of RALV + four (4) hours is achieved, the MALV and RALV will revert to 84 and 82 respectively and the Measurement of lineholder projection for that year will be RALV + five (5) hours.
 - (3) The data for any bid status in any month of the measurement period in which pick-up was limited by the Company shall be excluded from the calculation in 1. and 2. above.
- NOTE: The Measurement Period will commence in 2014 and each year thereafter. The MALV / RALV adjustment, if required, will commence in 2015 and each year thereafter.
- f. Known Planned Absences will be credited for line construction purposes at a Daily Rate of two hours and forty-five minutes (2:45).
- g. A newly upgraded Captain assigned First Officer flying to acquire experience will be given a temporary bid to that First Officer status and will bid for trip sequences according to seniority within that First Officer status. Such pilot will be paid rates of pay according to the current status or the assigned status, whichever is greater.
2. Continuing Qualification Training - Bidding and Awarding
- a. Pilots eligible for Continuing Qualification (CQ) training will be identified on the monthly bid sheet.
 - b. CQ training sequences will be available for monthly bidding in the same manner as allocated sequences. CQ training sequences may be awarded in advance of any trip pairings either as a separate process or in conjunction with the trip pairings. In the event an eligible pilot (Grace or Due month) does not bid, such pilot will be assigned a CQ training sequence in the bidding process.
3. Line Construction - Bidding and Awarding
- a. Pilots may only select sequences from those available for their individual bid status, or the bid status to which temporarily assigned. Pilots, including pilots on full month temporary assignment, shall be awarded regular or reserve lines in accordance with their system seniority and their individual preferences ([PBS](#)).
 - b. The [PBS](#) Bid Package for each bid status will be made available to pilots electronically no later than the 8th of the month for the following month. The information shall include the Monthly Average Line Value (MALV), the Line Construction Window (LCW), the bidding deadline, the bid closing and award dates, the projected number of line holders and reserves, the available sequences and the specific pilots eligible to bid.
 - c. Available sequences for bidding may include planned charters, ferries and extra sections.
 - d. The Company will not post sequences that would require a pilot to possess dual qualifications.
 - e. The Company may make changes to published sequences up to twenty-four (24) hours prior to bid closing. Changes after that time, through the end of the line construction process, will be subject to the provisions of [Section 15.N](#).
 - f. A pilot's final bid award shall be available for review in [PBS](#), accessible through the internet, no later than the eighteenth (18th) calendar day of the month prior, except when

unforeseen circumstances prevent such deadline from being met. (Reference to PBS Section for further details)

- g. With the exception of sequences identified and selected by Flight Standards, all known flying will be available for bidding within each bid status. Sequences selected by Flight Standards will be placed in open time if and when it has been determined they will not be required.
- h. Sequences will be awarded / assigned in the [PBS](#) line construction process.
- i. Pilots may not access the Trip Trade System during the bidline awarding process (the period of time after bidding is closed when the actual PBS line construction process is active) for trips that originate in the last six (6) calendar days of the current bid period.
- j. Fly through conflicts and FAR illegalities will be prohibited in the line construction process. The JSC (or PBS Committee) will determine appropriate buffers between sequences in order to balance the risk of any illegalities with line construction quality.
- k. A pilot scheduled to complete Qualification Training and OE during any calendar month will be credited for each day in training / OE status at the Daily Rate (2:45 hrs).
- l. A pilot will not be awarded flying during designated OE days.
- m. A line holder who completes OE earlier than the days blocked for OE on his or her schedule may pick up additional sequences or trip trade during that time. A reserve pilot who completes OE earlier than the days blocked for OE on his schedule may be assigned additional reserve days in accordance with [4.h.](#) below. When assigning additional reserve days the Company will take into consideration the particular preferences of the pilot when selecting the additional days.
- n. Pilots will be able to access their personal information pertaining to the monthly bidding process electronically. Such information will include, but not be limited to:
 - (1) Fly through time from the current bid period.
 - (2) Known Planned Absences for the upcoming bid period and future bid period.
 - (3) Vacation (vacation slides and vacation trades for vacations in the next succeeding calendar month must be completed prior to the close of bidding for the upcoming bid month).
 - (4) Qualification and Continuing Qualification training days.
 - (5) Operating Experience Status - estimated completion date.
 - (6) Other Planned Absences (e.g. military leave, jury duty, union business, Company business, etc.).
 - (7) Additional information as determined by the PBS Committee.
- o. Bid lines will be constructed with a minimum of ten (10) calendar days off, prorated in the event a pilot is available for less than a full month of service. Fractions will be rounded up to the next whole number.

Days of Availability	Calendar Days Off	Days of Availability	Calendar Days Off
31	10	16	6
30	10	15	5
29	10	14	5
28	10	13	5
27	9	12	4
26	9	11	4

25	9	10	4
24	8	9	3
23	8	8	3
22	8	7	3
21	7	6	2
20	7	5	2
19	7	4	2
18	6	3	1
17	6	2	1
		1	1

- p. A pilot may keep a Standing Preference Bid on file to be used when the pilot fails to bid. In the event a pilot fails to bid and does not have a Standing Preference Bid on file, a default bid will be used to assign the bid line.
- q. A First Officer will not be awarded a sequence in the event both the Captain and the First Officer have not met the minimum experience requirements or are both age sixty (60) or older.
- r. A pilot who retires within a bid period will be credited with the Daily Rate for line construction purposes only, for each calendar day beyond his last day of service to the end of the bid month.

4. Reserve Lines - Bidding and Awarding

a. Long Call Reserve Lines

- (1) Long Call reserve lines will represent, at a minimum, twenty percent (20%) of all reserve lines awarded in a particular four-part bid status for a contractual month.

b. Short Call Reserve Lines

- (1) Short Call reserve lines will represent, at a minimum, thirty percent (30%) of all reserve lines awarded in a particular four-part bid status for a contractual month.

c. Monthly Short Call RAP bidding

- (1) Pilots awarded a Short Call reserve line in the primary monthly bidding process will participate in a secondary bidding process to determine the RAP to be associated with their Short Call reserve line. These RAPs will be awarded/assigned by four-part bid status in seniority order. The awarded/assigned RAPs will be those for the first reserve available day after a Duty Free Period (DFP) or Planned Absence.
- (2) The Company will publish the available RAPs for bidding for each four-part bid status.
- (3) Bidding for RAPs will commence no later than the 22nd of the month prior and will close no later than 2000 HBT on the 26th day of the month.
- (4) Awards will be made available no later than 1800 HBT on the 27th day of the month.
- (5) No more than thirty-five percent (35%) of Short Call Reserve pilots in any four-part bid status may be awarded/assigned RAPs with start times prior to 0700 HBT.

- d. Daily reserve requirements will take into consideration blocks of available days required for each day of the month and known planned absences that may affect reserve staffing.

- I
- e. Except as provided for in 15.J.11.b., reserve days off will be awarded in seniority order based on a pilot's Preference Ballot, subject to any staffing requirements determined in a manner consistent with a. above.
 - f. Reserve lines will be constructed with eleven (11) immovable calendar days off. In any thirty (30) day calendar month during the contract, one (1) additional moveable day off will be scheduled. In any thirty-one (31) day calendar month during the contract, two (2) additional moveable days off will be scheduled. A moveable DFP will be designated and scheduled contiguous to immovable DFP's and will not be scheduled in the middle of immovable DFP's. Moveable DFPs may be moved in accordance with Section 15.J.
 - g. In a full month, unless waived by the pilot, reserve days off will be awarded or assigned with a minimum of one group of four (4) consecutive days off and no less than two (2) consecutive days off in any other group. At a pilot's option, a single day off may be scheduled in a reserve line. A pilot may designate up to three (3) consecutive days off as golden days, or, if/when manning permits, four (4) consecutive days off may be designated as golden days.
 - h. In a partial month, (i.e. available less than thirty (30) or thirty-one (31) days, as applicable), the reserve days off requirements in d. above will be reduced accordingly, in a manner consistent with the required reserve days in [15.D.4.k](#).
 - i. In a full month, reserve lines will consist of blocks of consecutive days of reserve availability of no less than four (4) and a maximum of twelve (12) days, as determined by the staffing requirements of the Company, except that the minimum number of available days may be reduced to two (2) days at the beginning or end of a contractual month.
 - j. In a partial month, the minimum and maximum reserve days of availability in f. above may be reduced as necessary to meet the required number of available reserve days in [15.D.4.k](#).
 - k. The number of reserve days will be prorated for any period that is less than a full calendar month in accordance with the following chart:

<u>Days Available</u>	<u>Reserve Days</u>	<u>Days Available</u>	<u>Reserve Days</u>
1	1	16	10
2	2	17	10
3	2	18	11
4	3	19	12
5	3	20	12
6	4	21	13
7	4	22	14
8	5	23	14
9	5	24	15
10	6	25	16
11	6	26	16
12	7	27	17
13	8	28	17
14	8	29	18
15	9	30	18
		31	18

E. Minimum Pay and Credit

1. A pilot who reports for any flight duty period (including deadheading) shall receive the greatest of the following:
 - a. Flight time pay and flight time credit actually earned.
 - b. One (1) minute flight time pay and flight time credit for each two (2) minutes of a scheduled or rescheduled on duty period as set forth in paragraph [C.5.d](#) of this Section.
 - c. One (1) minute flight time pay and flight time credit for each two (2) minutes of an actual on duty period as set forth in paragraph [C.5.g](#) of this Section.

The difference between flight time pay and flight time credit earned during such on duty period and the minimum flight time pay and flight time credit provided above shall be computed as an extension of the trip which brings the pilot to a station for an off duty break as set forth in paragraph [C.5.d](#) and [C.5.g](#) of this Section.

A flight which lands at a co-terminal for the airport of departure as the result of a mechanical interruption shall be paid and credited under this paragraph.

2. Notwithstanding the provisions of paragraph H.1. of this Section, the provisions of [E.1](#) above shall apply, except that the minimum set forth in paragraph [G](#) of this Section shall be two (2) hours' flight time pay and flight time credit if:
 - a. a pilot performs or reports to perform any flying between co-terminals which is not contained in a regular publication prepared by the Company in conjunction with each reselection of pilot flying assignments, or [See Q&A [6-4](#)]
 - b. a pilot performs or reports to perform flying as set forth below, when such flying is confined to a single airport or co-terminals:
 - (1) engine, instrument, plane, and radio test flights,
 - (2) experimental and airway aid test flights,
 - c. a pilot performs or reports to perform flying as set forth below, when such flying is confined to a single airport:
 - (1) charter, contract, or scenic,
 - (2) courtesy or publicity.

When no flying is performed under E.2.a., E.2.b. or E.2.c. above, flight time pay and flight time credit shall be based on the equipment type involved in the assignment for which the pilot was required to report.

3. Miscellaneous Taxi
 - a. An aircraft movement which is not part of, and not in conjunction with, a pilot's specific flying assignment shall be termed miscellaneous taxi. Such miscellaneous taxi shall be performed by the required crew complement for the respective aircraft.
 - b. A pilot assigned to a miscellaneous taxi shall be notified of such taxi assignment(s) in the same manner as are pilots who are notified for flying assignments.
 - c. A pilot assigned to miscellaneous taxi will be provided with a written release to operate each taxi so assigned.
 - d. A pilot performing a miscellaneous taxi assignment(s) will be covered, if applicable, for the duration of such taxi assignment(s), under the following provisions of the Basic Agreement:
 - (1) the on duty provisions provided under Section [15.C.5](#).
 - (2) The pay and credit provisions provided under Section(s) [15.E.](#), [15.F.](#), and/or [15.G](#).
 - (3) The reassignment provisions of [Section 15.N](#).
 - e. The provisions of Section 15.H. shall be applicable to any pilot who reports for, but does not perform, a miscellaneous taxi assignment.

- f. Actual taxi time involved in miscellaneous taxi assignment shall be considered as if it were flight time as defined in Section [15.C.10](#). (block-to-block time), but shall not be considered flight time for the application of Section 15.C.8.
- 4. 1:2 Pay For Scheduled Sit Times over 2 Hours
Duty periods with scheduled sit times greater than two (2) hours shall receive one (1) minute of pay for every two (2) minutes of sit time in excess of two (2) hours. This provision applies to scheduled sit-times only (i.e. as allocated), the time is not credited and the pay only applies to the time above the first two (2) hours and will be paid in addition to any other pay earned in accordance with Section 15.E., F. or G.

F. Time Away From Base

- 1. A pilot who reports for any flight duty (including deadheading) which involves two (2) or more on duty periods broken by at least one (1) off duty period away from such pilot's base, shall receive the greater of the following:
 - a. one (1) minute pay and flight time credit for each three and one-half (3-1/2) minutes of scheduled or rescheduled time away from such pilot's base;
 - b. one (1) minute pay and flight time credit for each three and one-half (3-1/2) minutes of actual time away from such pilot's base.The difference between flight time pay and flight time credit earned during such period of time away from base and the minimum flight time pay and flight time credit provided above shall be computed as an extension of the trip which brings the pilot back to the pilot's base for legal rest.
- 2. For purposes of paragraphs [E.1.](#) and [G.](#) of this Section, on duty periods and off duty periods shall be as set forth in paragraph C.5. of this Section.

G. Duty Period - Average and Minimum

A pilot who reports for any flight duty (including deadheading) shall receive a minimum of five hours and ten minutes (5:10) flight time pay and flight time credit multiplied by the number of duty periods contained in such pilot's trip sequence, provided however, that a pilot who performs two (2) or more on duty periods broken by at least one (1) off duty period away from such pilot's base shall receive, for each duty period provided in [E.1.](#) above, a minimum of three (3) hours flight time pay and flight time credit.

H. Application of Minimum Flight Time Pay and Flight Time Credit

- 1. The minimum flight time pay and flight time credit provided under [E.1.](#), [F.1.](#), and [G.](#) of this Section applies when a lineholder pilot reports for a duty period which begins at such pilot's base but completes no takeoff or does no deadheading, provided a lineholder complies with the applicable provisions of Section 4.C - Sequence Protection.
- 2. The minimum flight time pay and flight time credit provided under [E.1.](#), [F.1.](#), and [G.](#) of this Section shall not apply when a reserve pilot reports for a duty period which begins at such pilot's base but completes no takeoff or does no deadheading. In lieu thereof, such reserve pilot shall be guaranteed the greater of:
 - a. Two (2) hours' flight time pay. Pay under this provision shall be on the basis of rates of pay as provided in Section 4.B., or
 - b. One (1) minute flight time pay for each two (2) minutes of an actual on duty period as set forth in paragraph [C.5.d](#) of this Section.
- 3. Deadheading covered under the provisions of [E.1.](#), [F.1.](#) and [G.](#) of this Section shall include:
 - a. all deadheading by Company assignment, except in connection with route checks and training under [Section 6.D.](#);
 - b. deadheading at the pilot's request to pick up the next trip in a sequence when such action does not trigger a double deadhead;

- c. deadheading at the pilot's request as set forth in paragraph [C.5.f.](#) of this Section. Duty time spent in the accomplishment of such deadheading shall be considered an extension of the pilot's on duty period. [See Q&A [15-6](#)]

Except as noted above, deadheading at the pilot's request shall not be covered under the provisions of [E.1.](#), [F.1.](#) and [G.](#) of this Section.

4. For purposes of [E.1.b.](#) and [F.1.a.](#) of this Section, the rescheduled on duty period shall apply whenever a pilot has been rescheduled as set forth in H.5 below.
5. A pilot is considered to be rescheduled any time there is a change or cancellation in such pilot's flying assignment, including deadheading.
6. The provisions of [E.1.](#) and [F.1.](#) of this Section shall not be applicable to excess duty hours or excess time away from base resulting from the pilot's request to be rescheduled to deadhead on a flight other than that for which such pilot is legally scheduled or rescheduled by the Company.
7. The provisions of [E.1.b.](#), [F.1.a.](#), and [G.](#) of this Section shall apply, under [Sections 5](#), 6.B., 6.C., 6.D.3. and [15.L.](#) of this Agreement, to pilots who hold bid lines.
8. Computation of flight time pay and flight time credit applicable under [Section 15.N.](#) of this Agreement shall include all flight time pay and flight time credit due under the provisions of [Section 15.E.](#), [15.F.](#) and [15.G.](#)
9. When a pilot's arrival at such pilot's base or scheduled layover station is by way of surface transportation, the arrival time, for purposes of [C.5.a.](#), [E.1.](#), [F.1](#) and [G.](#) of this Section, shall be considered to be the scheduled departure time of the surface transportation to be used, plus the normal air time and debriefing time.
In this case, an off duty period shall start at the scheduled arrival time of the surface transportation used.
10. When a pilot performs or reports to perform flying set forth in [E.2.a.](#), [E.2.b.](#) and [E.2.c.](#) of this Section, before, during or after an on duty period involving flying not covered under [E.2.a.](#), [E.2.b.](#) or [E.2.c.](#), or while on layover involving an off duty break between such on duty periods, such pilot shall receive:
 - a. flight time pay and flight time credit in accordance with [E.1.](#), [F.1.](#) or [G.](#) of this Section, as applicable, for the on duty periods not involving flying covered under [E.2.a.](#), [E.2.b.](#) or [E.2.c.](#), plus,
 - b. one (1) minute flight time pay and flight time credit for each two (2) minutes of actual on duty time for the period involving flying covered under [E.2.a.](#), [E.2.b.](#), or [E.2.c.](#), but not less than the flight time pay and flight time credit actually earned and, in any event, not less than two (2) hours minimum flight time pay and flight time credit.
11. If a pilot flies from A to B, and due to the hourly limitation set forth in this Section, must be scheduled to layover and then deadhead from B to A, such pilot may request under [Section 15.C.5.f.](#) to be permitted to deadhead home in the first duty period, and the Company may, if it chooses, permit such deadheading. However, the pilot shall be paid and credited for the scheduled second duty period in lieu of the extension of the first duty period. [See Q&A [15-6](#)]

I. Premium Pay

1. In accordance with [Section 15.L.](#), the Company may designate at any time any sequence as a premium pay sequence. Such sequence(s) will pay a premium of fifty percent (50%) over the pilot's base hourly pay rate as specified in Section 3 (total is the base rate plus fifty percent of the base rate), including international override as applicable.
2. Premium pay may be applied to an entire sequence, or portion of a sequence, as applicable in the Agreement.
3. A sequence picked-up from open time (TTS) which is designated as a premium pay sequence will have the fifty percent (50%) premium applied to all flown hours including any Pay and Credit in the sequence. A pilot pay protected for a premium pay sequence who is assigned replacement flying will be pay protected for the value of a cancelled premium

sequence at the premium rate. In the event the credited time of the replacement flying is greater than the credited value of the cancelled flying, the pilot will be paid for the additional time at the regular hourly rate.

Example: If the credited value of the cancelled sequence is 8 hours, the pilot will be pay protected for 12 hours. If the credited time of the replacement flying is 10 hours, the pilot will be paid an additional 2 hours at the regular hourly rate, for a total of 14 hours.

4. A pilot awarded or assigned a premium pay sequence will be pay protected for the scheduled value of the sequence, including the fifty percent (50%) premium.
5. A premium pay sequence that is traded to another pilot will have the premium designation removed and such sequence will be paid at the base hourly pay rate.
6. Premium pay will not apply in the event a pilot does not operate the premium sequence due to any voluntary action by the pilot, i.e calling in sick, fatigued, drops or trades the sequence to another pilot. Premium pay will apply in the event a pilot does not operate the premium sequence due to Company actions such as a reassignment, displacement, or any other Company-enacted removal. Premium pay will apply to any removal that qualifies for Sequence Protection as described in Section 4.C.
7. Recovery obligation replacement flying due to sequence cancellation and reserve assignments will be paid at regular hourly pay rates. Premium pay does not apply to such assignments.
8. Premium hours flown in the same month that a pilot uses sick leave will be offset by the number of sick hours charged. Any remaining premium hours after the offset is applied will be paid at the premium rate.
Example: A pilot uses sick leave for a 10 hours during the month. In the same month, the pilot picks up 12 hours of premium sequence(s) (12 hours credit, 18 hours pay). For the purpose of calculating the net premium pay for the month, subtract the total sick hours used from the total premium hours. In this example the pilot's premium pay for the month will be the 12 hours of premium sequence(s) reduced by the 10 sick hours used, leaving 2 hours to be paid at 1.5 X, for a total of 1 hour additional pay (13 hours total pay for the premium sequence(s)).
9. Premium hours flown will be uncredited towards a pilot's [IMAX](#), but will be applied towards FAR limitations. The pilot's PPROJ will be adjusted to include the fifty percent (50%) premium.
10. Reassignment - if a pilot is reassigned outside the footprint of the pilot's original sequence, the fifty percent (50%) premium is pay only. The pilot will be credited with the greater of scheduled or what was actually flown. The premium does not apply to any additional credits under [15.E.](#), [15.F.](#) or [15.G](#) that were generated solely as a result of the reassignment.

J. Reserve Flying

1. Definitions.
 - a. Calendar Day. For the purpose of reserve assignment system, "calendar day" means 0000 - 2400 Home Base Time (HBT), and may be redefined by mutual agreement.
 - b. Calendar Day Block. For the purpose of assignment to available reserves, open time sequences within any four-part bid-status will be grouped into the following calendar day blocks, which is inclusive of the time spent for sign-in and debrief for each sequence:
 - (1) One (1) calendar day block
 - (2) Two (2) calendar day block
 - (3) Three (3) calendar day block
 - (4) Four-plus (4+) calendar day block
 - c. Domicile Rest. For a Reserve pilot a rest period of 12-hours in duration commencing at the end of debrief following a sequence.
 - d. Long Call Duty. A Reserve duty status in which a Reserve pilot is contactable and available for assignments with a minimum of twelve (12) hours notice prior to sequence sign-in or RAP start time.

- e. Short Call Duty . A Reserve status in which a Reserve pilot is contactable and available for assignments with less than twelve (12) hours notice within the RAP they are currently assigned.
- f. Reserve Group. For the purpose of determining which reserve pilots will be required to cover existing open time in their four-part bid-status, such reserve pilots will be classified by continuous, calendar-day availability, determined as follows:
 - (1) One (1) day reserve
 - (2) Two (2) day reserve
 - (3) Three (3) day reserve
 - (4) Four plus (4+) day reserve
- g. Reserve Classification:
 - (1) Long Call Reserve pilot

A Long Call Reserve pilot is a pilot who was awarded a Long Call line as a part of the monthly line award process. Long Call Reserve pilots can only be assigned sequences or RAPs with a minimum of twelve (12) hours between assignment and sequence sign-in or RAP start time.
 - (2) Short Call Reserve pilot

A Short Call Reserve pilot is a pilot who was awarded a Short Call line as a part of the monthly line award process. Short Call Reserve pilots are normally assigned sequences within a RAP with less than twelve (12) hours between sequence assignment and sequence sign-in. A short call reserve pilot must be able to promptly report for an awarded or assigned sequence.
- h. Must fly list. For purposes of reserve assignment, must fly means a list of reserve pilots who will be required to fly an open time sequence.
- i. Total Available Hours = (85 hours) - (Planned Absence Credit); includes Vacation, Training, Union Leave
- j. Hours Remaining = (Total Available Hours - Hours Flown); Hours Flown includes all credited time (Pay and Credit)

- k. Recent Work Factor - A day worked is any day where flying or training takes place for that pilot. Days recently worked are weighted as follows; where yesterday = 1, day before yesterday = 2, etc.

Days <u>Worked</u> / <u>When</u>	Recent Work <u>Factor</u>
1,2,3,4,5	0.010
1,2,3,4	0.032
1,2,3,5	0.065
1,2,3	0.097
1,2,4,5	0.129
1,2,4	0.161
1,2,5	0.194
1,2	0.226
1,3,4,5	0.258
1,3,4	0.290
1,3,5	0.323
1,3	0.355
1,4,5	0.387
1,4	0.419
1,5	0.452
1	0.484
2,3,4,5	0.516
2,3,4	0.548
2,3	0.613
2,4,5	0.645
2,4	0.677
2,5	0.710
2	0.742
3,4,5	0.774
3,4	0.806
3,5	0.839
3	0.871
4,5	0.903
4	0.935
5	0.968
None	1.000

- l. Reserve Priority Value (RPV). For purposes of determining which reserve pilots will be selected for assignment, a Reserve Priority Value (RPV) will be calculated for each reserve pilot in the four-part bid-status. The RPV calculation for a pilot will consider the percent of that pilot's credited hours remaining in the month compared to the percent of that pilot's available days remaining in the month and the number and proximity of days worked within the previous (five) 5 days. Specifically, the equation will be:

$$\text{RPV} = ((\text{Hours Remaining}) / (\text{Total Available Hours})) / ((\text{Available Days Remaining} / \text{Total Available Days}) * \text{Recent Days Worked Factor})$$

- m. Verify / Verification. The term "verify" or "verification" means an action performed by the pilot, where required in this Section, whereby the Reserve pilot accesses Company provided information for the purpose of becoming aware of a scheduled sequence, RAP or rest period placed on the pilot's schedule by the Company. Pilots are not required to affirmatively respond to the Company when the verify/verification task is accomplished, however pilots are responsible for the assignment/award.
- n. Contactable. The term "contactable", when used in this Section, means a Reserve pilot being available to the Company for the purpose of communicating scheduling/operational information. These communication methods include, but are not limited to electronic notification (e.g., text or email) or telephone.

2. Reserve Notification Process - Sequence / RAP / 30-Hour Rest

The following procedures describe the various responsibilities of a Reserve pilot and the Company with regard to awards, assignments, notification and verification.

a. General

To the extent possible, electronic notification and verification will be used for reserve assignments. Absent electronic notification capabilities, Crew Schedule will make first person contact for all assignments outside DOTC unless verified by other means. Awards of preferences must be verified through AVRS, Personal Mode, Crew Schedule or the Internet. In all cases, if a pilot cannot be contacted, Crew Schedule shall leave messages when possible.

b. On a Duty Free Period (DFP) or Planned Absence

- (1) A pilot has no requirement to perform any duty on a DFP or Planned Absence.
- (2) Reserve pilots may voluntarily participate in DOTC for the following day while on a DFP or Planned Absence and verify assignment between 1500-1600 HBT.

Such pilots will end up with one of the following results in DOTC:

- (a) Long Call Reserve pilot - Assigned/awarded a sequence for the next day, otherwise remain on Long Call for the next day.
- (b) Short Call Reserve pilot - Awarded/assigned a sequence or RAP for the next day (the RAP may be other than awarded on the reserve line).

c. On a Reserve Available Day

- (1) On the first reserve available day following DFP or Planned Absence:

- (a) Long Call Reserve pilots will go on duty at 0001 HBT on first reserve available day.
- (b) Short Call Reserve pilots will assume the RAP associated with their bid line award on first reserve available day (RAP may be changed by mutual agreement by the pilot and Crew Schedule).

- (2) Following DOTC.

- (a) Pilots on Reserve Duty and available for flying the next day will verify awards/assignments between 1500 and 1600 HBT.
- (b) Reserve pilots on an FAR rest period during the period between 1500 and 1600 HBT, and available for flying the next day, upon commencement of Reserve Duty will verify any awards/assignments for the next calendar day.

- (c) Absent an award/assignment made during DOTC for the next calendar day, a Short Call Reserve pilot in a RAP will exit that current RAP on Long Call Duty.
- (3) A pilot on a sequence and available for flying the next day:
 - (a) Upon block-in, Reserve pilots shall check their activity record for awards or assignments that are for the period following Domicile Rest.
 - (b) If an assignment (sequence or RAP) has been placed on the pilot's schedule that commences after Domicile Rest the pilot is released from any duty until sign-in of the sequence or RAP start time.
 - (c) If the sequence ended prior to DOTC conclusion (1500 HBT) and no next assignment (sequence or RAP) is on a pilot's schedule, that pilot's next responsibility is to:
 - (i) Verify schedule for DOTC assignment between 1500 - 1600 HBT for the next day's assignment.
 - (ii) Absent an assignment made during DOTC, the pilot will commence Long Call Duty at the end of Domicile Rest. Pilots will verify assignments made during Domicile Rest upon commencement of Long Call Duty. Such assignments must not sign-in for a sequence, or have a RAP start time, earlier than twelve (12) hours after the end of the pilot's Domicile Rest.
 - (d) If the sequence ended after DOTC conclusion (1500 HBT) and no next assignment is on a pilot's schedule, that pilot will commence Long Call Duty at the end of Domicile Rest. Pilots will verify assignments made during Domicile Rest upon commencement of Long Call Duty. Such assignments must not sign-in for a sequence, or have a RAP start time, earlier than twelve (12) hours after the end of the pilot's Domicile Rest.
 - (e) A Reserve pilot who completes an FDP that signed-in before and operates at least 2 hours into the WOCL (0200 - 0559 HBT) who finds no next activity placed on his/her schedule at the end of that sequence shall not be assigned a RAP starting prior to 0600 HBT time the next calendar day. The earliest sequence such pilot may be assigned shall not sign-in prior to 0800 HBT the next calendar day.
- (4) A pilot completing training without a post-training DFP(s):
 - (a) Shall receive at least ten (10) hours of post-training rest at the completion of a training program (including any required deadhead) prior to resuming Reserve Duty.
 - (b) Upon completion of training or completion of post training deadhead to domicile, Reserve pilots shall check their activity record for awards or assignments that are for the period following post training rest. Such assignments:
 - (i) For a Short Call Reserve pilot - must not have a sign-in for a sequence, or have a RAP start time, earlier than ten (10) hours.
 - (ii) For a Long Call Reserve pilot - must not have a sign-in for a sequence earlier than twelve (12) hours.
 - (c) If an assignment (sequence or RAP) has been placed on the pilot's schedule that commences after post-training rest, the pilot is released from any duty until sign-in of the sequence or RAP start time.
 - (d) Absent an assignment the pilot will commence Long Call Duty at the end of post-training rest.
 - (e) Pilots will verify assignments made during post-training rest upon commencement of Long Call Duty. Such assignments must not sign-in for a sequence, or have a RAP start time, earlier than twelve (12) hours after the end of the pilot's post-training rest.
- (5) During Domicile Rest
 - A pilot:

- (a) will be contacted for award or assignment while in Domicile Rest. Pilot has no obligation to respond while in Domicile Rest. Crew Schedule will, at the time of any assignment/award, forward a message to the pilot.
 - (b) may use the preference ballot to submit preferences.
 - (c) if assigned a sequence or RAP while in Domicile Rest, that pilot's next duty commences at sign-in of the sequence or RAP start time.
 - (d) electing not to respond when on Domicile Rest will be responsible for any assignments made during Domicile Rest for which a message was forwarded.
- (6) FAR required rest periods:
- (a) If assigned a 30-hour rest period during reserve available days the Company will notify the pilot via:
 - (i) Positive contact with the pilot during a period where the pilot is on Reserve Duty, for a 30-hour rest period that will commence immediately, or
 - (ii) The verification process during 1500-1600, if applicable, for a rest period beginning at 1600 or later, or
 - (iii) Upon block-in, at the completion of a sequence, in accordance with 15.J.2.c.(3)(a) above.
 - (b) Notification for a 30-hour rest period will include:
 - (i) Commencement time of the 30 hour rest period (not retrospectively)
 - (ii) Duration of the rest period (can be greater than 30 hours)
 - (iii) Assignment or award upon completion of the 30-hour rest period, otherwise the pilot exits the 30-hour rest period on Long Call duty.
 - (c) Pilots on an FAR required rest period during 1500 – 1600 HBT:
 - (i) Short Call Reserve pilot will have been assigned/awarded, prior to the rest period, a RAP or sequence to commence at the end of required rest period, otherwise the pilot exits the rest period on Long Call Duty.
 - (ii) Long Call Reserve pilots on a rest period during the 1500-1600 period, and available for flying the next day:
 - [1] May use the Preference ballot to submit preferences.
 - [2] Will not be contacted for proffer, awards or assignments while in a required rest period.
 - [3] If a pilot is assigned a sequence or RAP, while in a required rest period, that pilot's next duty commences at sign-in of the sequence or RAP start time.
 - (iii) Short Call Reserve pilots available for flying after the conclusion of the 30-hour rest period, if given an assignment/award with a sign-in within their follow-on RAP, will be contacted for any awards/assignments within that RAP.
 - (iv) Long Call Reserve pilots available for flying after the conclusion of the 30-hour rest period, upon commencement of Reserve Duty, will verify any follow-on awards/assignments.
- d. Sick Clearance for Reserve Pilots
- (1) Short Call pilots must clear sick using first person contact with Crew Schedule.
 - (2) Long Call pilots may clear sick via AVRS, other electronic means or first person contact with Crew Schedule.
 - (3) Sick Clearance at or before 1000 HBT
 - (a) A Reserve pilot who clears sick prior to 1000 HBT will not be charged sick for that calendar day.
 - (i) Short Call Reserve pilots clearing sick:
 - [1] Accept that they have had an FAR required 10-hour rest period

immediately preceding sick clearance.

[2] Clear sick with the understanding they will be assigned:

[2.1] a RAP commencing immediately, or

[2.2] a RAP commencing no less than 10-hours after sick clearance, or

[2.3] Long Call Duty.

(ii) Long Call pilots clearing sick commence Long Call Duty.

(4) Sick Clearance between 1000 and 2359 HBT

(a) A Short Call Reserve pilot shall be charged sick for that day unless assigned (by mutual agreement) a RAP commencing immediately upon sick clearance. Absent an immediate RAP assignment the Short Call pilot will:

(i) Be assigned a RAP commencing no earlier than 1000 HBT for the following day, or

(ii) commence Long Call Duty at 0001 HBT the following day.

(b) A Long Call Reserve pilot will be charged sick for that calendar day unless awarded (by mutual agreement):

(i) a sequence commencing the same calendar day.

(ii) Long Call Duty for the remainder of the calendar day.

If not assigned in accordance with (b) above, a Long Call Reserve pilot will commence Long Call Duty at 0001 the next reserve available day.

3. Reserve Assignment.

a. General

(1) Reserve assignments made during DOTC will be available for verification no later than 1500 HBT.

(2) The reserve assignment process optimizes the assignment of reserves by matching a reserve pilot's reserve classification and days of availability with the length of the open sequences, while minimizing late-in, early-out assignment of sequences.

(3) Sequences awarded or assigned at least twelve (12) hours in advance of sequence sign-in will be made to Long Call Reserve pilots. Short Call Reserve pilots can be awarded or assigned a sequence more than twelve (12) hours in advance but only in the case where there is no Long Call Reserve pilot available to be assigned such sequence. See c. below.

(4) Reserve pilots will be selected for assignment based on a Reserve Priority Value (RPV) as described in J.1.g and J.1.h.. When assigning or awarding open sequences, reserve pilots may use the preference ballot to express preferences. The preferences shall be considered for any award or assignment where seniority is considered.

b. Reserve assignment will be made as follows:

The assignment process begins with the one (1) calendar day block. Assign one (1) day reserve pilots to open time sequences in the one (1) calendar day block (i.e., n=1) in accordance with a.(1) through a.(3) below. After completion of assignments of open time sequences in n-calendar day block, proceed to the next block (n+1) and repeat the assignment process for the next block in accordance with a.(1) through a.(3) below. For purposes of assignment, open time sequences include any sequences that were dropped into that block from a prior block.

(1) If the number of n-day reserve pilots exceeds the number of open time sequences in the n-calendar day block, the reserve pilots' RPV scores will determine which reserve pilots will be assigned to the must fly list. A reserve pilot with a higher RPV score will be assigned to the must fly list before one with a lower RPV score. Pilots will be added to the must fly list until the number of pilots on the must fly list matches the number of open time sequences.

- (a) If due to equivalent RPV scores, there are more n-day reserve pilots than needed to cover the open time sequences in the n-calendar day block, such tie will be resolved by allowing the more senior of the reserve pilots on the must fly list who are "tied" to opt-out of flying any of the open time sequences (based on individual preferences, and in seniority order), provided doing so does not prevent coverage for all open sequences in that block.
 - (b) Reserve pilots on the must fly list are assigned by order of seniority, with the most senior reserve pilot, who will be assigned an open time sequence based on preference, but only to the extent doing so does not prevent coverage of all open time sequences in the block using the reserve pilots on the list.
 - (c) If not all reserve pilots on the must fly list have indicated preferences for open time sequences, then assign remaining open time sequences on a first-in, first-out basis, but only to the extent doing so does not prevent coverage of all remaining open time sequences in the block.
 - (d) In the event not all pilots are legal and qualified for all sequences, trips may be assigned out of seniority order only to the extent that the maximum number of open time sequences is covered.
- (2) If the number of n-day reserve pilots is equal to the number of open time sequences in that block, and all open time sequences can be covered by those pilots, each pilot will be added to the must fly list.
- (a) Reserve pilots on the must fly list are assigned to open time sequences by order of seniority, with the most senior reserve pilot, who will be assigned an open time sequence based on preference, but only to the extent doing so does not prevent coverage of the maximum number of open time sequences in the block using the reserve pilots on the list.
 - (b) If not all reserve pilots on the must fly list have indicated preferences for open time sequences, then assign remaining open time sequences on a first-in, first-out basis, but only to the extent doing so does not prevent coverage of the maximum number of open time sequences in the block.
- (3) If the number of open time sequences in the n-calendar day block exceeds the number of n-day reserve pilots available, then each pilot will be added to the must fly list.
- (a) Reserve pilots on the must fly list are assigned by order of seniority, with the most senior reserve pilot, who will be assigned an open time sequence based on preference, but only to the extent doing so does not prevent coverage of the maximum number of open time sequences in the block using the reserve pilots on the list.
 - (b) If not all reserve pilots on the must fly list have indicated preferences for open time sequences, then assign remaining open time sequences on a first-in, first-out basis, but only to the extent that the maximum number of open time sequences is covered.
 - (c) In the event not all pilots are legal and qualified for all sequences, trips may be assigned out of seniority order only to the extent that the maximum number of open time sequences is covered.
 - (d) In the event open time sequences from a prior block (or blocks) have been dropped into this block, and there are not enough reserve pilots in this block to cover all open time sequences due to the inclusion of the dropped open time sequences, then (1) those dropped open time sequences from the prior block(s) will be assigned only to the extent doing so does not prevent coverage of the maximum number of original open time sequences in this block; and (2) in the event the dropped open sequences are from more than one prior block, then the dropped open sequences will be assigned in the order of the block with the highest calendar days to the block with the lowest calendar days to the extent possible. All remaining uncovered open time sequences will be dropped to the next block.

- (e) All uncovered open time sequence(s) from this block are dropped to the next block (n+1). (For example, if there are not enough 2-day reserve pilots to cover all open day sequences in the 2-calendar day block, those uncovered open time sequences are dropped to the 3-day calendar block.)
 - c. The reserve assignment process for a four-part bid-status is not complete until all blocks have been processed. In the event open time sequences still remain, Crew Schedule may:
 - (1) re-run the reserve assignment process with a modified set of open time sequences in combination with earlier steps in the open time coverage process, or
 - (2) resolve the remaining open time sequences utilizing Short Call Reserve pilots via the steps described in b.(1) through b.(3) above.
 - d. The assigned reserve pilots will be notified pursuant to [Section 15.J.2.a.](#) above, once Crew Schedule has completed and accepted the open time solution for the four-part bid-status.
 - e. Reserve Availability Periods (RAPs) will be assigned at the completion of the reserve assignment process, honoring preferences and seniority to the extent possible, and in accordance with the FAR limitations on reserve rest.
 - f. Reserve pilots in their last day of reserve availability prior to a DFP or planned absence will not have a RAP assigned that commences after 1000 HBT. Reserve pilots may, however, be awarded a RAP commencing after 1000 HBT.
 - g. A Short Call Reserve pilot who is not assigned a RAP defaults to Long Call Duty for the purpose of being assigned a RAP with 12 hours notice.
4. Long Call to Short Call Duty Conversion
- a. The Company may convert a Long Call Reserve pilot to Short Call Duty with the following provisions:
 - (1) Each conversion shall be for a single RAP.
 - (2) All conversions require, at a minimum, 12 hours notice prior to commencement of a RAP.
 - (a) Pilots converted to a RAP during DOTC will remain on Long Call Duty until twelve (12) hours prior to the commencement of the RAP.
 - (b) Pilots converted to Short Call Duty outside of DOTC are released until the commencement of the RAP.
 - (3) Long Call Reserve pilots converted to Short Call Duty during DOTC (1000 – 1500 HBT) will be awarded/assigned a RAP commencing no earlier than 0300 HBT the next day.
 - (4) Long Call Reserve pilots may use their Reserve Preference Ballot (RPB) (or future equivalent) to preference for Short Call Duty conversion award.
 - (5) The Company may award / assign Long Call Reserve to Short Call Duty conversions considering the pilot's Reserve Group (days of availability).
 - (a) Long Call Reserve to Short Call Duty award will be made by Reserve Group using seniority order.
 - (b) Long Call Reserve to Short Call Duty assignment will be made by Reserve Group in inverse seniority order.
 - (6) A Long Call Reserve pilot may be assigned to Short Call Duty no more than five (5) times per contractual month. There is no limit to the number of times a Long Call Reserve pilot may be awarded Short Call Duty.
 - (7) Each time that a Long Call Reserve pilot is converted to Short Call Duty will generate thirty (30) minutes of pay, no credit, to be paid above the greater of guarantee or PPROJ for each RAP assigned/awarded. (see Q&A [15-4](#), [15-34](#), [15-35](#))

5. A reserve pilot may be assigned reserve flying up to eighty-five (85) hours (PROJ). Voluntary flying on days off is excluded in the assignment maximum, unless approved in advance by the Company (see Section [15.C.4.a. & b.](#)).
6. Release of Reserve Pilots upon Assignment
 - except as provided for in [Section 4.C.5](#) the following will apply:
 - a. Pilots awarded trips that originate during their current RAP shall be released until sign-in.
 - b. A Reserve pilot in a RAP, who is awarded/assigned a sequence that commences more than 12 hours in the future, shall remain on call in the current RAP until the end of the current RAP, but not later than 12 hours prior to sign in for the awarded/assigned sequence. If a Short Call Reserve pilot was assigned a RAP for the next day and was subsequently assigned a sequence (with at least 12 hours notice), that pilot's next duty day commences upon sign-in of the sequence. Any pre-existing RAP is removed for that next day.
 - c. A Long Call Reserve pilot awarded/assigned a trip sequence shall remain on call until 12 hours prior to sign-in.
 - d. The following procedures shall apply when a Short Call pilot is subsequently assigned a trip originating in the current RAP after being assigned a trip outside the current RAP:
 - (1) The pilot shall only be assigned/awarded a subsequent trip sequence if the pilot is the only pilot that is qualified, legal and available.
 - (2) A pilot who is legal to fly both trips shall fly both trips and receive pay and credit for both trips.
 - (3) If the assignment makes the pilot illegal for the previously assigned trip, the trip shall be returned to open time and filled in accordance with the procedures for filling of open time contained in Section [15.L](#) of the Basic Agreement.
7. Release from Current RAP

Pilots shall be automatically released from any responsibility for duty in the current RAP after 12 hours unless released earlier in accordance with [Section 15.C.5.a\(6\)\(d\)](#) above. (If on last Reserve available day see below.) Pilots shall remain contactable until the end of the RAP. If not already otherwise assigned, the pilot shall revert to long call at the end of the RAP and remain contactable.
8. Release of Reserve Pilots preceding any DFP or other Planned Absence
 - a. Pilots on Short Call Duty in their last day of reserve availability, who have not been assigned a sequence in that RAP will be automatically released from any responsibility for further duty in the current RAP six (6) hours after commencement of the RAP.
 - b. Pilots on Long Call Duty in their last day of reserve availability, who have not been assigned a sequence by 1000 HBT will be automatically released from any responsibility for further duty at 1000 HBT.
9. Reserve Flying on Days Off
 - a. Reserve pilots may elect to fly on days off at Company option. Reference Section [15.C.4.a & b.](#) for limitations.
10. Reserve Proficiency Flying
 - a. A reserve pilot, in order to maintain proficiency, may request additional flying hours not available through the normal processing of open time. Local Flight Management, in coordination with Crew Schedule, may approve such a request and arrange such flying on a displacement basis. [See Q&A [6-2](#)]
 - b. Should such request be approved, the displaced pilot will be relieved of scheduled flying in accordance with the procedures set forth in [Section 6.D.3.](#)
 - c. For the purpose of assigning reserve flying, credit time involved in such displacement flying will not be made part of the pilot's Reserve Priority Value (RPV) for determining a low on time assignment as provided for in Section 15.J.2 above and [15.L](#) (Filling of Open Time).

11. Reserve Duty Free Periods

- a. Duty Free Periods (DFPs) for reserve pilots shall be scheduled to run from midnight to midnight.
- b. Must Have DFPs for Reserve pilots are golden DFPs awarded during the monthly Line Construction process. Each pilot may designate, during the monthly bidding process, Must Have DFPs. Must Have DFPs are subject to the following requirements and conditions:
 - (1) No more than four (4) Must Have DFPs may be awarded to a pilot per calendar year.
 - (2) Must Have DFPs may be split any way the pilot chooses (four individual days, all 4 together, 2/1/1, 2/2, etc.).
 - (3) Must Have DFPs may not be awarded which create illegalities.
 - (4) Must Have DFP awards may not reduce the number of Reserve pilots available on a particular day, in a given bid status, below the Company-designated minimum number of Reserve pilots required.
 - (5) Except to meet the requirements of (4) above, Must Have Days are awarded without regard to seniority.
 - (6) Must Have DFPs are included in the Reserve pilot's normal monthly DFPs as specified in 15.D.4.f.
 - (7) This functionality may not be in the first release of PBS.
 - (8) Must Have DFPs may not be awarded on the following "blackout" dates:
 - (a) Dec 31 – 2 January
 - (b) Friday – Monday of Super Bowl Weekend
 - (c) Thurs – Monday of Easter Weekend
 - (d) July 3 – 5
 - (e) Tues – Monday of Thanksgiving Week
 - (f) December 24 – 26
 - (g) Sat – Tues of Federal Holiday Weekends
- c. By mutual agreement between the reserve pilot and the Company, DFPs may be moved in any combination.
- d. By mutual agreement between the reserve pilot and the Company, a reserve pilot may be scheduled to fly beyond noon (1200) HBT of the first day of a DFP.
- e. By mutual agreement between the reserve pilot and the Company, a reserve pilot may move a scheduled DFP to a later date if the flying to be done is after noon (1200) HBT on the first day of such DFP.
- f. Except for a golden DFP, the Company may require a pilot to change a scheduled DFP to a later date, but only if that pilot is scheduled to fly a sequence that is scheduled to terminate at the pilot's base no later than noon (1200) HBT on the first day of the DFP involved in accordance with Section [15.L.4.f](#). This provision may be exercised by the Company no more than two (2) times during each contractual month for a reserve pilot. (Q&A #'s 66, 114, 120)
- g. A pilot's scheduled DFP may not be changed retroactively, except that a pilot may drop a DFP that has already commenced.
- h. A reserve pilot who is assigned flying into a DFP shall take the required off duty break and then commence a DFP equal to the number of days of the interrupted DFP. (Q&A [15-17](#))
- i. A pilot who is temporarily assigned to a base other than the pilot's domicile for purposes other than training will be entitled to scheduled DFPs in accordance with Section 15.D.4., except that such scheduled DFPs as are normal to the trip selection or reserve flying assignment to which such pilot is assigned will be taken at the base of temporary assignment. When such temporary assignment is for more than one (1) trip or trip

sequence but less than a full month, the DFPs will be those in the reserve flying assignment which was awarded the pilot at that pilot's base. Such pilot shall be given priority pass privileges to the pilot's base, or the American Airlines station closest to the pilot's residence, to be used at the pilot's option during any scheduled DFP for two (2) days or more taken at the base of temporary assignment.

- j. Golden DFP. A golden DFP is one during which a reserve pilot will not be involuntarily scheduled for flight assignment, company business or training. A golden DFP may be moved only with the consent of the reserve pilot.
- k. Moveable DFP. The Company may move a reserve pilot's movable DFP(s) during a contractual month under the following conditions:
 - (1) A reserve pilot shall be given notice at least twelve (12) hours prior to the start of the DFP.
 - (2) Once a DFP has begun, no moveable DFP may be appended to or removed from such DFP grouping.
 - (3) A reserve pilot shall be given notice no later than 1000 HBT if the movement of a movable DFP(s) will change that pilot's days of availability.
 - (4) If a sequence becomes available after 1000 HBT and there is no pilot available for that sequence, the Company may move a reserve pilot's movable DFP(s) in order for such pilot to fly the sequence, provided the movement of such DFP is in compliance with (1) and (2) above.
 - (5) Each movable DFP may only be moved once during a contractual month.
 - (6) A movable DFP must be placed contiguous to another DFP, and not in the middle of a sequence or during a planned absence. However, the Company may, if necessary, create only one (1) stand-alone DFP in any contractual month by the movement of a movable DFP for a reserve pilot where:
 - (a) The movable DFP was in a DFP grouping of at least three (3) days, in which case the moveable DFP may stand alone; or
 - (b) The moveable DFP was moved from being contiguous with an immovable DFP to an existing DFP, in which case the immovable DFP from the original grouping may stand alone.

12. DFP Trades.

- a. A reserve pilot may trade with another pilot an equal number of DFPs under the following conditions:
- b. Movable DFPs may not be traded.
- c. Scheduled DFPs may not be traded into or out of any planned absences, or immediately before or after a movable DFP.
- d. A multiple pilot trade that includes more than two (2) pilots is not allowed. A trade that inhibits the Company's ability to maintain a pilot's qualifications is not allowed.
- e. The trade must not result in, for either pilot, a period of seven (7) or more consecutive reserve available days, or less than four (4) consecutive reserve available days, exclusive of planned absences.
- f. The trade must be submitted to the Company as soon as possible but no later than three (3) days prior to the first day of the traded DFP.
- g. The Company will process those trades timely submitted as soon as practicable, but no later than the earlier of five (5) calendar days after submission of the trade or twenty-four (24) hours prior to the first day of the traded DFPs.

K. Fatigue Events

1. General

- a. This Section K applies to all pilots. Pilots should not commence or continue any flight segment they anticipate being unable to safely complete due to fatigue. Pilots removed

for fatigue shall be removed with a designated fatigue removal code. A pilot's decision to declare fatigue shall be accepted by the Company and the pilot will advise Crew Schedule / Tracking with the time of subsequent availability following rest.

- b. The Company and the Association agree to jointly monitor the use of fatigue through the Fatigue Risk Management System (FRMS), in a cooperative effort of the Fatigue Risk Management Department, Chief Pilots and the Association's Professional Standards and Flight Time / Duty Time Committees. In the event a review indicates a suspected misuse or abuse, nothing in this Section K. shall abrogate the rights of either party pursuant to the Basic Agreement.
- c. The Company shall provide a reasonable amount of Company paid Union Leave to pilots directly involved in the FRMS, as determined by the Managing Director, Corporate Safety or designee.

2. Definitions and Functions

a. Fatigue Risk Analysis Team (FRAT):

The FRAT shall be comprised of AA FRMS Staff. The FRAT will be supplemented by a member of the APA Flight Time / Duty Time Committee. All FRAT members will be provided the appropriate fatigue training by the Company. The routine day to day functions of the FRAT will be handled by the FRMS Staff, with periodic assistance from the APA representative in a collaborative and advisory capacity.

b. Fatigue Event Review Team (FERT):

The FERT shall consist of the Chief Pilot, Line Operations, the Senior Manager, FRMS and the Association Flight Time / Duty Time Chairman or other representative designated by the Association. All members of the FERT will be provided the appropriate, and mutually agreed upon, fatigue training by the Company. The FERT will review de-identified pilot fatigue occurrences referred by the FRAT, for either further action by APA Professional Standards Committee or referral outside the Professional Standards process for an independent review. The FERT will make every attempt to reach a consensus. If a consensus cannot be reached, then the Chief Pilot of Line Operations or his designee will have the final decision on any reviews affecting pay and /or any event the FERT determines involves apparent misuse of the policy.

c. Fatigue Review Committee (FRC):

The FRC consists of fatigue stakeholders from both the Company and the APA who meet monthly to review summary reports, trends and recommendations provided by the FRAT. The FRC reviews systemic or operational causes of fatigue and oversees implementation of corrective measures. The FRC follows up with relevant departments and ensures compliance with previously requested corrective measures and elevates risk items as required through the Safety Management System (SMS).

d. Memorandum of Understanding (MOU):

The Company and the Association shall define details of the FRMS program and Association participation as well as the Fatigue Removal Event review process in an MOU.

3. Pilots shall be paid for time lost due to a fatigue subject to the following procedures:

- a. Any removal from duty or availability due to fatigue shall be termed a Fatigue Removal Event (FRE).
- b. Pilots are required to file a Fatigue Report for any FRE within 48 hours of the event or, if mid-sequence, 48 hours of return to base, providing details relevant to the fatigue call.
- c. All FREs for lineholders and reserve pilots shall be reviewed by the Fatigue Risk Analysis Team (FRAT) for appropriate use of the fatigue policy, including the length of the rest period requested by the pilot.
- d. The FERT shall review Fatigue Removal Events involving possible inappropriate use of the fatigue policy as determined by the Fatigue Review Analysis Team (FRAT).

- e. Lineholders shall be pay protected for the value of their sequence at the time a fatigue event occurs. Pay will be the greater of the original sequence value or what the pilot actually flies.
 - f. Pilots shall not be pay protected for any additional flying assigned (not part of the pilot's sequence) when declaring fatigue at the time of such assignment.
 - g. PROJ shall be reduced by the amount of any time lost as the result of a fatigue event.
 - h. When a fatigue event is the result of a non-operational matter beyond the control of the pilot or is of a personal nature, the pilot should contact their Chief Pilot or the Chief Pilot on Duty for an EO.
 - i. Any decision affecting pay following a review based on the procedures herein shall be the decision of the Base Chief Pilot.
4. Reserve Pilots - On Call
- a. When a reserve pilot declines a flight or reserve assignment due to fatigue, the pilot shall advise Crew Schedule and include an estimated time that he/she will be sufficiently rested and available for duty. At that time, the reserve pilot may be placed on a RAP subsequent to the established available time.
 - b. Crew Schedule shall not contact the pilot for any subsequent assignments until after the estimated clear time. Crew Schedule may assign the pilot to any RAP or sequence for which the pilot is legal, following the normal process for the filling of open time, once the pilot has provided notification that he/she is available for duty.
 - c. At the time of the fatigue call, a reserve pilot's guarantee will not be reduced.
5. All Pilots - Mid-Sequence Fatigue
- a. Pilots who have commenced (signed in for) a sequence and who determine that they cannot safely continue due to fatigue shall advise Crew Tracking. Once advised, Crew Tracking shall, if not releasing the pilot at home base, choose one of the following four options under which the pilot may be rescheduled:
 - (1) Deadhead the pilot to base in the same duty period, if legal, or, when not legal, if it is mutually agreeable in keeping with current procedures.
 - (2) Deadhead the pilot to base following the completion of a rest period.
 - (3) Following rest, assign the pilot to any portion of the original sequence.
 - (4) Following rest, assign the pilot to any other flying within the footprint of the original sequence (return to home base by the scheduled end of the original sequence). This in no way prohibits Crew Tracking from reassigning a pilot following the rest period
 - b. Any assignment other than the above four options shall be considered a reassignment.
 - c. The rescheduling of a pilot to any one of the four options above is at the discretion of Crew Tracking. However, reasonable consideration will be given to rescheduling a pilot back on their original sequence if practical, or, to equivalent flying within the footprint of the original sequence.
 - d. An election by Crew Tracking to deadhead a pilot back to base in the same duty period (option (1) above) must be made at the time the pilot declares fatigue. If Crew Tracking does not elect option (1) at the time the pilot declares fatigue, it must decide on one of the other three (3) options by the end of the pilot's rest period.
 - e. The pilot shall not be contacted during the rest period except for delay or cancellation information.
 - f. The rest period following a fatigue call shall be ten (10) hours, and may be increased beyond ten (10) hours at the Company's option or if the pilot requests more time to obtain sufficient rest. In the event the pilot requests additional rest beyond ten (10) hours and is subsequently deadheaded to home base at the completion of the rest period, the calculation for compensation and expense purposes shall be based on the first available deadhead following a ten (10) hour rest period.

6. All Pilots - Fatigue Prior to Sign-in for a Scheduled Sequence
 - a. Pilots who have not signed in for a scheduled sequence and who anticipate being unable to safely operate due to fatigue must advise Crew Schedule. The pilot shall be removed from the initial flight segment for Fatigue.
 - b. If, in the pilot's judgment, such fatigue is the result of a non-operational event beyond the control of the pilot or is of a personal nature, the pilot should contact the Chief Pilot on Duty for an EO.
 - c. Subsequent availability shall be based upon the time that is needed to obtain adequate rest, which shall be provided by the pilot at the time of the fatigue call. Following rest, the pilot may be assigned to:
 - (1) Any portion of the original sequence for regularly scheduled pilots.
 - (2) Any other flying within the footprint of the original sequence (return to home base by the scheduled end of the original sequence) for regularly scheduled pilots.
 - d. Any assignment beyond the end of the original sequence footprint other than the first available flight to base shall be considered a reassignment for regularly scheduled pilots.
 - e. Reserve pilots shall be handled as described in paragraphs 4. and 9. of this Section 15.K.
7. Any replacement flying assigned that extends beyond the footprint of the original sequence (or sequence at the time of the fatigue event if different) shall be handled as a reassignment and paid according to the reassignment provisions.
8. Sequence protection provisions shall apply when the scheduling of any assignment other than the original sequence as in 4. above results in a contractual or FAR illegality for any subsequent sequence on a pilot's schedule at the time of the assignment.
9. A reserve pilot who calls in fatigued after sign in but prior to departure on the first leg of a sequence shall be paid based on the time spent on duty prior to the fatigue call. Such event and resultant pay is subject to review within the FRMS and Fatigue Policy as outlined above.
10. When a pilot declares fatigue:
 - a. The identifying information in the report shall remain confidential and available only to the FRAT unless indicated otherwise by the pilot. When unusual circumstances or information contained in the Fatigue Report indicate cause for immediate concern, such situation may be discussed between the FRMS Manager and the APA FERT member to establish an agreed course of action.
 - b. Fatigue Reports and Information Slips will be forwarded to the FRAT for analysis of the fatigue event. The FRAT will classify each event depending on the likelihood of fatigue and fatigue risk, store the information in the fatigue database and recommend follow up action as appropriate to the FRC or FERT.
 - c. The Fatigue Removal Event (FRE) procedures and subsequent reviews will be governed by the process outlined herein and in the FRMS MOU.

L. Filling of Open Time

1. The Company may at its option identify and award any sequence at any time in the process as one that pays premium pay.
2. The Filling of Open Time shall be handled as much as practical via an automated process (e.g. TTS, preference ballot, text messaging for Aggressive Pick-Up) to award open sequences.
3. Filling of Open Time - Basic Rules
 - a. 08:00 home base time (HBT) - sick removals and sequences placed into open time.
 - b. 10:00 HBT - Begin Filling of Open Time for any open flying for the next day.
 - c. A pilot must be qualified, legal and available (QLA) to be awarded / assigned open time.

- d. Unless a Reserve pilot is the only QLA pilot, Reserve pilots awarded/assigned FDPs will be buffered with thirty (30) minutes from FAR 117 FDP limitations measured from the beginning of a pilot's scheduled RAP if on Short Call Duty, or from the sequence sign-in if on Long Call Duty. This provision may be waived with pilot consent.
- e. To the extent possible the Filling of Open Time should be completed no later than 1500 HBT however, the intent is to complete DOTC by 1300 HBT, or earlier. In accordance with Section 15.J.2, reserve assignments made during DOTC will be available for verification no later than 1500 HBT

Note: The times in 3.a., b., and d. may be modified by mutual agreement between the Company and the JSC.

4. Filling of Open Time - Order

- a. Sequence Protection Recovery pilots in accordance with the provisions of Section 4.C.4.
- b. Aggressive Pick-up - Within three (3) hours of scheduled or rescheduled departure Aggressive Pick-up is open on a first-come, first-served basis via a mutually agreed upon process for in base and out of base pilots, including at Company option, reserve pilots on DFPs. DFP will not be replaced. Aggressive Pick-up pilots are required to make an on time departure.
 - (1) If unable to make scheduled sign in, pilot must advise Crew Schedule of an expected sign in time that is consistent with an on time departure. In the event the pilot is unable to make an on time departure, the Company has the option to replace the Aggressive Pick-up pilot, in which case the pilot will be handled in accordance with the Commuter Policy.
- c. Pick-up in Base
 - (1) Regular Pick-up, in Division, including, at Company option, eligible reserve pilots volunteering to fly on, into or out of a DFP. DFP will not be replaced.
 - (2) Regular Pick-up, opposite Division, including, at Company option, eligible reserve pilots volunteering to fly on, into or out of a DFP. DFP will not be replaced. [See Q&A [15-33](#)]
 - (3) At Company Option: Pick-up with conflict, in Division first, then in the opposite Division.
 - (4) At Company Option: Greater of Pick-up with conflict, in Division first, then in the opposite Division.
- d. Pick-up out of Base
 - (1) Regular Pick-up, in Division, including, at Company option, eligible reserve pilots volunteering to fly on, into or out of a DFP. DFP will not be replaced.
 - (2) Regular Pick-up, opposite Division, including, at Company option, eligible reserve pilots volunteering to fly on, into or out of a DFP. DFP will not be replaced.
 - (3) At Company Option: Pick-up with conflict, in Division first, then in the opposite Division.
 - (4) At Company Option: Greater of Pick-up with conflict, in Division first, then in the opposite Division.
 - (5) Pay, credit and legalities in (1) through (4) above apply as if flown by in base pilot.
- e. At Company option, Crew Schedule may split or transfer sequences and/or reallocate flight legs and commence again, following steps a. through d. above.
- f. Reserve Assignment/Award
 - (1) Long Call Reserve Pilots

Sequences awarded or assigned at least twelve (12) hours in advance of sequence sign-in will be made to Long Call Reserve pilots except as provided for in (b) below.

 - (a) The Company shall select, at its option, one or more of the following categories in (i) through (vi) below. The pilots in the selected categories will be considered in a single pool for the purposes of this Section [15.L.4.f](#). From this single pool of

pilots, reserve assignments/awards will be prioritized in the following order: Block, [RPV](#) and Seniority in accordance with Section 15.J.3.

- (i) In Division, assign to a reserve without a DFP conflict.
 - (ii) In opposite Division, award to a reserve without a DFP conflict.
 - (iii) In opposite Division, assign to a reserve without a DFP conflict. If an International Division reserve is assigned to a sequence in the Domestic Division, International override will be paid for that sequence.
 - (iv) In Division, assign to a reserve flying into a DFP (up to 1200 HBT).
- (b) Short Call Reserve pilots may be awarded or assigned a sequence more than twelve (12) hours in advance as follows:
- (i) If there is no Long Call Reserve pilot available to be assigned such sequence.
 - (ii) In such case the Short Call Reserve pilot(s) will be selected based on RPV and shall be included in the single pool described in Section 15.L.4.f.(1).(a).
- (2) Sequences with less than 12 hours until sign-in will be awarded/assigned to pilots on Short Call Duty.
- (a) The Company shall select, at its option, one or more of the following categories in (i) through (vi) below. The pilots in the selected categories will be considered in a single pool for the purposes of this Section 15.L.4.f.(2).(a). From this single pool of pilots, reserve assignments/awards will be prioritized in the following order: Block, RPV and Seniority in accordance with Section 15.J.3.
- (i) In Division, assign to a reserve without a DFP conflict.
 - (ii) In opposite Division, award to a reserve without a DFP conflict.
 - (iii) In opposite Division, assign to a reserve without a DFP conflict. If an International reserve is assigned to a sequence in the Domestic Division, International override will be paid for that sequence.
 - (iv) In Division, assign to a reserve flying into a DFP (up to 1200 HBT).

NOTE: Prior to proceeding to steps (g) through (i) below, all remaining open time must have been offered as premium flying in steps (b) through (d).

- g. Company option to use a CKA, Flight Test or Management pilot.
 - h. Inverse Assign (reserve pilot) in Division, then in opposite Division (premium pay (and flight time credit) paid above guarantee for flying on days off or premium pay with conflict for flying that conflicts with next month sequence, whichever is applicable).
 - i. Inverse Assign (regular pilot) in Division, then in opposite Division (premium pay, or premium pay with conflict, whichever is applicable).
5. At Company option, the filling of open time processes in 4. above may be bypassed to permit a qualified and legal pilot, who is in position, to be awarded an open time segment(s). Such pilot will be paid, but not credited for the greater of scheduled or actual for the segment(s) actually flown. When the company avails itself of this option, a sequence must be created which would have otherwise resolved the open segment(s) and be awarded, or assigned, to a pilot via the processes of 4. above. The pilot who is awarded, or assigned, such created sequence shall be displaced from such sequence and will be paid and credited for the value of the created sequence.
6. General rules to be followed for the coverage of open time shall include, but not be limited to, the following:
- a. Pilots awarded or assigned open time must be qualified, legal and available in respect to all limitations required by the FAA and by this Agreement. However, in accordance with Section 5.I., scheduled flying, not actually performed, for which flight time credit is applied, shall have no effect on pilots' legality for other flying. [See Q&A [15-2](#)]
 - b. In accordance with Section [15.L.4.](#), a pilot may volunteer for pick-up flying in Division, or in the opposite Division up to that individual pilot's [IMAX](#) or the Company designated pick-

up maximum for that pilot's particular bid status (whichever is lower). This calculation is measured against the pilot's projection (PROJ). [See Q&A #117]

- c. Pilots may not pick up open time that would create a conflict with any sequence in their monthly schedule unless such transaction is permitted by the TTS or Crew Schedule.
 - d. Lineholders may move a duty free period, if such movement is accomplished prior to the start of such duty free period. Furthermore, a lineholder may voluntarily drop any duty free period during the course of a contractual month including a duty free period that has already commenced. [See Q&A [15-31](#)]
 - e. Pilots who desire open flying time are restricted to the category in which they are serving at that time (e.g., captain not allowed to make up as a first officer).
 - f. Pilots who desire to pick-up open flying time must make proper notification via the mechanisms provided. (e.g. a TTS preference ballot, or other established means.)
8. Crew Schedule Errors
- a. If a lineholder is inadvertently bypassed for pick-up flying, the pilot will be protected for the original scheduled value of the bypassed sequence, provided the pilot promptly notifies the Company and is available for replacement flying in accordance with the Sequence Protection recovery obligations found in Section 4.C.
 - b. If a reserve pilot is assigned a trip sequence of lesser value than one which should have been assigned as a result of a seniority based preference (within the reserve assignment process), the difference in the credited value of the two trip sequences will be immediately added to the pilot's PROJ. At the end of the month, the difference in the pay value of the two trip sequences will be added to the reserve pilot's pay projection (P PROJ).

M. Temporary Assignment/Temporary Duty

1. Full Month Temporary Assignment Within a Base
- a. If there is a temporary shortage of pilots in a bid status, the Company may create a temporary vacancy and make it available only to those currently qualified and available pilots in the opposite division in the same category, equipment and base.
 - b. Such temporary vacancy may only be bid by pilots in the opposite division in the same category, equipment and base, and the vacancy shall be awarded to the senior such bidder who is currently qualified and available to fill the vacancy.
 - c. In the event such temporary vacancy is not filled by the voluntary selection of a currently qualified and available pilot in the opposite division in the same category, equipment and base, such vacancy shall be filled by the assignment, in reverse order of system seniority, of a currently qualified and available pilot in such bid status. A pilot so assigned will be pay protected on the trip selection that the pilot could have held.
 - d. A pilot assigned in accordance with c. above who does not reside at the base shall receive the following:
 - (1) Priority transportation between the base and the American Airlines station nearest the pilot's residence.
 - (2) Expenses in accordance with [Section 7.B.2.](#) of the Basic Agreement during the assignment, except that the payment of such expenses will commence with the pilot's first flying assignment or day of reserve availability/make-up and continue through the pilot's last flying assignment or day of reserve availability/make-up. However, any time a pilot elects to leave the base while not assigned to fly or be available as a reserve shall not be compensable.
 - (3) A hotel room at Company expense during the assignment within the following parameters:
 - (a) A pilot holding a reserve selection will be eligible for a hotel room beginning the night before the pilot's first day of reserve availability and continuing through the pilot's last day of availability.

- (b) A pilot holding a regular trip selection will be eligible for a hotel room the night before and after a flying assignment and during any duty free periods and days off during which the pilot elects to remain at the base prior to the completion of such pilot's last scheduled trip sequence. For a pilot who desires make-up flying, a hotel room will be provided for additional days if authorized by a Chief Pilot.
 - e. In the event a pilot in the International Division is assigned to the Domestic Division as provided in paragraph c. above, the Domestic Sequences performed by such pilot shall be paid at International rates of pay.
 - f. If a temporary vacancy in the same bid status is filled for two (2) consecutive months under the provisions of paragraph M.1., except under the provisions of [Section 9.C.2.d.](#), a permanent vacancy in the appropriate bid status shall be made available in the next bid award process in the following order
 - (1) to pilots in the opposite division in the same category, equipment and base, provided the awarding of such vacancy does not create a subsequent vacancy, then
 - (2) if not filled per (1) above, in system seniority to all pilots.
 - g. The number of vacancies which may be filled under paragraph M.1. shall not be limited.
 - h. Pilots awarded/assigned temporary vacancies in accordance with provision M.1., shall exercise system seniority among the pilots regularly assigned to the bid status to which they are temporarily assigned for the purposes of bidding trip selections and filling open time.
2. Full Month Temporary Assignment Between Bases
- a. If there is a temporary shortage of pilots in a bid status, the Company may create a temporary vacancy and make it available only to those pilots at another base, in the same category and equipment, who are currently qualified and available.
 - b. Such temporary vacancy may only be bid by pilots in the bid status to which it is made available, and the vacancy shall be awarded to the senior such bidder who is currently qualified and available to fill the vacancy.
 - c. In the event such temporary vacancy is not filled by the voluntary selection of a currently qualified and available pilot, such vacancy shall be filled by the assignment, in reverse order of system seniority, of a currently qualified and available pilot in the appropriate bid status. A pilot so assigned will be pay protected on the trip selection that the pilot could have held.
 - d. In the event a pilot in the International Division pilot is assigned to the Domestic Division as provided in paragraph c. above, the Domestic Sequences performed by such pilot shall be paid at International rates of pay.
 - e. If a temporary vacancy in the same bid status is filled for two (2) consecutive months under the provisions of paragraph M.2., except under the provisions of Section 9.C.2.d., a permanent vacancy in the appropriate bid status shall be made available in the next bid award process. The awarding of such vacancy shall be made in accordance with Section 17.
 - f. The number of vacancies which may be filled under paragraph M.2. shall not be limited.
 - g. Pilots awarded/assigned temporary vacancies in accordance with provision M.2., shall exercise system seniority for the purposes of bidding trip selections and filling open time.
 - h. Pilots awarded/assigned a temporary assignment in accordance with provision M.2., will be allowed expenses while away from their regular base in accordance with Section 7.
3. Vacancy Obligation
- a. In the event the provisions of paragraphs M.1. and M.2. are utilized for two (2) consecutive months for the purpose of filling a temporary vacancy in the same bid status, except under the provisions of Section 9.C.2.d., and such temporary vacancy is required in the third (3rd) consecutive month, a permanent vacancy in the appropriate bid status shall be made available in the next bid award process.

- b. Such permanent vacancy shall be awarded or assigned as provided in M.1.f. or M.2.e. as determined by the manner in which such temporary vacancy was filled in two (2) of the three (3) consecutive months.
4. Less Than a Full Month Temporary Assignment Between Bases
- a. During the course of a contractual month, the Company may proffer and then assign reserve pilots to temporary assignments at another base for the coverage of reserve flying, in accordance with [15.L.](#) in the procedures for the filling of open time.
 - (1) For temporary assignments of twenty (20) days or less, only pilots who are available for the entire period of the temporary assignment may be proffered or assigned.
 - (2) For temporary assignments of more than twenty (20) days, pilots who have a planned absence of not more than five (5) consecutive days during the period of the temporary assignment shall be proffered or assigned, in addition to pilots who are available for the entire period of the temporary assignment.
 - b. The provisions of 7. below shall apply to deadheads to or from the base of temporary duty.
 - c. Pilots who are not returned to their base when legal to do so after the completion of a trip sequence at the base to which temporarily assigned, will be considered to be on temporary assignment at such base.
 - d. The number of temporary assignments permitted under paragraph M.4. shall not be limited.
 - e. Pilots awarded/assigned temporary vacancies in accordance with provision M.4., shall exercise system seniority for the purposes of bidding trip selections and filling open time.
 - f. Pilots awarded/assigned a temporary assignment in accordance with provision M.4., will be allowed expenses while away from their regular base in accordance with Section 7.
5. Temporary Duty - One Trip Sequence Only
- a. When during the course of a contractual month, it becomes necessary to provide an additional pilot from another base for the coverage of not more than one (1) trip sequence, the Company shall follow the procedures outlined in Section [15.L.](#).
 - b. Such pilots will receive the flight time pay and flight time credit, including deadheading, for the trip sequence which is being covered. Such pilots shall be covered under the provisions of Section [15.E.](#), [15.F.](#) and [15.G.](#) from the time they leave their base until they return to their base.
 - c. Such pilots will receive expenses while away from their base in accordance with Section 7. of this Agreement.
 - d. The number of temporary duty assignments permitted under paragraph M.5. shall not be limited.
6. Limitations On Temporary Assignments
- A pilot may be assigned under the provisions of M.2. and/or M.4. of this Section, provided, however, such pilot may not be assigned in excess of one (1) month in any twelve (12) month period unless all pilots who have been subject to such assignment have been assigned once.
7. Temporary Duty Assigned - Deadheading
- a. Pilots assigned a full or partial month temporary assignment (TDY) between bases, in accordance with Section 15.M.2. or 15.M.4., shall have their PPROJ credited for the deadhead to and the deadhead from the base to which they are temporarily assigned.
 - b. If the deadhead to or from the assigned TDY base is not scheduled in conjunction with a flying assignment:
 - (1) The pilot's PPROJ shall be credited with the value of the average day, as provided in Section [15.G.](#), or the scheduled time of the deadhead, whichever is greater.
 - (2) The pilot's expenses for the TDY assignment, as provided in [Section 7.B.2.](#), shall begin at the scheduled departure time of the deadhead to the assigned TDY base and end at the scheduled arrival time of the deadhead from the assigned TDY base.

- c. If the deadhead to or from the assigned TDY base is scheduled in conjunction with a flying assignment:
 - (1) The pilot's PPROJ shall be credited with the value of the minimum day, as provided in Section [15.G.](#), or the scheduled time of the deadhead, whichever is greater.
 - (2) The pilot's on duty period shall be based on the flying assignment and the scheduled time for the deadhead combined.
 - (3) The pilot's expenses for the TDY assignment, as provided in [Section 7.B.2.](#), shall begin at the scheduled departure time of the deadhead to the assigned TDY base and end at the scheduled arrival time of the deadhead from the assigned TDY base.
 - (4) The computation of credited time for the flying assignment (Section [15.E.](#) and [F.](#)) will be based on the flying assignment, including report and debrief, not including the deadhead.
- d. Options for TDY Deadheads.
 - (1) A pilot scheduled to deadhead to a TDY base in conjunction with a flying assignment, or a reserve pilot scheduled to deadhead on a day of reserve availability, or a pilot who would otherwise be removed from a scheduled sequence at a TDY base because a deadhead could not be scheduled in compliance with the Basic Agreement, may not be assigned but at such pilot's option may elect to deadhead to the TDY base on the previous day, which may be a duty free period, an unscheduled day, a day of scheduled flying, or a day of reserve availability, and may also be the last day of the previous contractual month, provided such deadhead does not conflict with the pilot's scheduled flying or reserve availability on such day. In such case:
 - (a) The pilot's PPROJ shall be credited with the value of the average day, as provided in Section [15.G.](#), or the scheduled time of the deadhead, whichever is greater.
 - (b) The pilot shall be provided a hotel room.
 - (c) The pilot's expenses for the TDY assignment shall begin at the scheduled departure time of the actual deadhead.
 - (d) The only contractual requirement for performing the deadhead is to receive the minimum rest, as provided in Section [15.C.5.](#), prior to such pilot's next flying assignment.
 - (2) The provisions of d.(1) above shall also apply if a pilot, who is assigned a TDY and who holds a regular scheduled trip selection at the TDY base, elects to report to the TDY base earlier in the month than required in order to be available for additional flying.
 - (3) A pilot scheduled to return from a TDY on a deadhead to base in conjunction with a flying assignment may elect to deadhead the following day. In such case:
 - (a) The pilot's PPROJ shall be credited with the value of the minimum day, as provided in Section [15.G.](#), or the scheduled time of the originally scheduled deadhead, whichever is greater.
 - (b) The pilot shall be provided a hotel room.
 - (c) The pilot's expenses for the TDY assignment shall end at the scheduled arrival time of the actual deadhead.
- e. A pilot may be proffered, assigned, or reassigned to fly a trip sequence which would cause a double deadhead. A double deadhead is defined as:
 - (1) A normal deadhead to report to the TDY base at the beginning of the month followed by a trip sequence the first leg of which has a deadhead back to the pilot's home base; or
 - (2) A last trip sequence of the month the last leg of which is a deadhead from the pilot's home base to the TDY base followed by a normal deadhead to return from the TDY base to the pilot's home base at the end of the month.

Such pilot may elect to fly or not fly such double deadhead. If the pilot elects not to deadhead, such pilot will assume the legality of the sequence deadhead but not the

deadhead to report to/from the TDY base. In all cases, the pilot shall be paid and credited for the scheduled sequence deadhead and additionally such pilot's PPROJ shall be credited according to the provisions of M.7. for the deadhead to/from the TDY base.

- f. In the unusual circumstances where a pilot is assigned a full or partial month TDY for two or more consecutive months, the provisions in M.7. shall apply to each month as a separate TDY assignment.
- g. In the event a pilot assigned temporary duty, in accordance with Section 15.M.5., is extended by assignment or reassignment for any reason and is thereby assigned a partial month TDY in accordance with Section 15.M.4.c., the pilot's sequence shall be reconstructed so that the provisions of M.7. apply and the actual deadhead time from the sequence will be subtracted from the pilot's pay and credit.

8. Temporary Duty Lodging

A pilot on temporary duty, in accordance with the provisions of Section 15.M., who is eligible for a hotel, other than a pilot on temporary duty for one trip sequence only (Section 15.M.5.), shall be provided lodging in accordance with Section 7.

N. Reassignments

- 1. Reassignment occurs if a regularly scheduled pilot is legal in all respects for such pilot's next regularly scheduled flight(s) or sequence(s), but instead is assigned by the Company to perform other flying in lieu of such pilot's regularly scheduled flight(s) or sequence(s). The sequence footprint is the originally scheduled flight departure (OUT) time on the first day of the sequence to the end of the originally scheduled flight termination (IN) time on the last day of the sequence, as defined in [Section 4.C.2.e.](#) [See Q&A 142]
- 2. A pilot reassigned shall be paid and credited the greater of;
 - a. the value of the original sequence, or
 - b. the value of the reassignment sequence.
- 3. In addition to 2. above, when a pilot is reassigned to flying that resides outside of the originally scheduled sequence footprint that pilot shall also receive a premium of:
 - a. pay, no credit, at a rate of one-half (50 percent) times the pilot's hourly base pay rate for that time flown outside of the footprint of the pilot's regularly scheduled sequence footprint.
 - b. Any additional flight time pay and credit associated with paragraphs [E.](#), [F.](#) or [G](#) that was generated as a result of the reassignment outside the original sequence footprint does not qualify for the premium described in a. above.
- 4. A pilot reassigned above the pilot's Individual Monthly Maximum ([IMAX](#)) or the [Company Limit on Voluntary Flying](#), if applicable, shall be paid at a rate of 1.5 times the pilot's hourly base pay rate for time above the IMAX, or the Company Limit on Voluntary Flying, if applicable (which shall not be cumulative with the payment in Section 15.N.3).
- 5. A pilot who was reassigned above his [IMAX](#) or the [Company Limit on Voluntary Flying](#), if applicable, will have his credited projection (PROJ) reduced to or below his IMAX or the Company Limit on Voluntary Flying, if applicable, in accordance with the following:
 - a. Remove the pilot with pay, but no credit, from one or more whole sequences.
 - b. Remove the pilot with pay, but no credit, from a portion of a sequence, provided that the removal must be from the beginning or end of the sequence, (i.e., no mid-sequence removals.)
 - c. Following the completion of the reassignment, if the pilot has no other scheduled flying remaining in the current month, reduce the pilot's PROJ in the following contractual month by following step 5.a. and/or 5.b. above.
 - d. When reducing the pilot's PROJ in the current month, such reduction shall occur within 24-hours of the conclusion (debrief) of the reassignment sequence.

- e. When reducing the pilot's PROJ in the next month, such reduction shall occur within 24-hours of the conclusion (debrief) of the reassignment sequence or the 25th of the current month, whichever is later.

O. Substitution of Equipment

Substitution of Equipment is defined as the substitution of aircraft to a type that is different from the pilot's current bid status and/or for which the pilot is not qualified to fly. A pilot whose regular trip or trip sequence becomes subject to a Substitution of Equipment will be pay protected in accordance with the pay provisions of [Section 4](#). The pilot's Replacement Flying Window in the event of a Substitution of Equipment will be the Sequence Footprint, as defined in [Section 4.C.2.e](#).

P. Trip Trade System (TTS)

1. The current Trip Trade with Open Time (TTOT) and Schedule Enhancement Period (SEP) system will be replaced with a new Trip Trade System (TTS).
2. The TTS shall be developed by the Company, with APA oversight from the TTS Development sub-committee. The new system will be based upon the "proof-of-concept" that was completed in 2011 by the Company with the participation of APA.
3. Desired features of the new system to be included in the Requirements Document are:
 - a. Honor Seniority in turn (as defined in the proof-of-concept, or modified by mutual agreement)
 - b. Comply with FAR/CBA/Qualification Limitations
 - (1) Legalities based upon [FAR 117](#)
 - (2) Buffers defined by mutual agreement between the Company and APA, and consistent with buffers defined under [PBS](#)
 - c. Trip Trade System acts as an agent to complete the following types of trades:
 - (1) Multiple pilot trades
 - (2) Conditional (if then ballot)
 - (3) Pick-up, trade or drop with other pilots or open time (subject to Company control of open time)
 - d. The capability for pilots to execute manual trades.
 - e. A preference ballot which will:
 - (1) Contain pilot preferences for trip trades, drops and pick-ups;
 - (2) Be updatable at any time.
 - f. Reviewable reporting with transparency
 - g. Communication
 - (1) Variable mediums (email, text messaging, phone)
 - (2) Robust (automated phone contact)
 - h. TTS will run on a schedule mutually agreed to by the Association and the Company.

4. The full development of a new TTS will be phased in order to provide value as quickly as possible and to provide time for integration of ballot functionality with other systems (primarily, [PBS](#) and DOTC).
5. Phase 1 will focus on multiple pilot trading on a daily (or more frequent basis) prior to DOTC. This was the focus of the proof-of-concept. Communication requirements should be minimal in this phase.
6. Work will begin no later than 2 months after a contract has been signed for [PBS](#). Development time will be dependent upon the complexity of requirements and the availability of resources. The initial target for implementation is 1Q14 (post-PBS and post-FAR 117 implementation). An updated target date will be anticipated at start-of-work + 2 months.
7. Subsequent phases will integrate Phase 1 functionality with processes that control trip-trading much closer to departure time (i.e., DOTC and real-time)

Q. Section 15 Questions and Answers

15-1. Q. *At what time is a pilot legal to report for a pick-up sequence following displacement?*

A. (1) If the pilot was displaced from a Domestic Sequence it is legal to report 15 minutes after the scheduled arrival of the trip from which displaced.

(2) If the pilot was displaced from an International Sequence it is legal to report 30 minutes after the scheduled arrival of the trip from which displaced.

15-2. Q. *When removed from a trip sequence, under what circumstances does a pilot not have to be "paper legal"?*

A. A pilot relieved from flying duties shall not assume the legality of a sequence(s) from which removed for the purpose of F.A.R. limitations or rest provisions of the Agreement except when deadheading to base earlier than scheduled in accordance with Section 15.C.5.f and 15.H.11. (removal code RA/AA).

If a pilot performs flying following the sequence from which removed under this provision, the actual on-duty period may not begin until after the scheduled debrief time associated with the sequence from which removed.

In the event that a pilot performs flying prior to the sequence from which removed under this provision, the debrief period associated with such sequence must be scheduled to be completed prior to the scheduled sign-in associated with the sequence from which removed.

15-3. Q. *May the thirty minute (:30) report for deadhead be extended as a result of an operational necessity?*

A. Yes, with proper notification, pilots may be required to report in excess of thirty minutes (:30) and the on-duty period shall be adjusted accordingly.

15-4. Q. *A Long Call Reserve pilot is converted to Short Call Reserve Duty and assigned a RAP. During the RAP the pilot is assigned/awarded a sequence. Is this pilot still entitled to the 30 minutes (:30) of conversion pay?*

A. Yes. The conversion pay is paid above the greater of guarantee or PPROJ for each RAP assigned/awarded and cannot be offset by the assigned/awarded sequence.

15-5. Q. *What is the required debrief for an International Division pilot at the completion of a Domestic Sequence?*

A. The required debrief is fifteen (15) minutes.

15-6. Q. *If a pilot is scheduled to fly out and deadhead back on a turn-around basis, is the pilot paid the original duty period if permission is requested to return on an earlier or later flight?*

A. Yes. Section 15.H.11. applies.

15-7. Q. *What is the guarantee of a reserve pilot returning from a leave of absence effective on the twenty-fifth (25th) day of a thirty (30) day contractual month?*

A. The pilot has 6 days remaining in the contractual month. According to the chart in Section 15.D.3.q, this pilot will receive four (4) days of reserve availability and two (2) days of duty-free periods. Each day of Reserve availability is valued at 4:03 per day for a Long Call Reserve pilot and 4:13 per day for a Short Call Reserve pilot. This pilot's guarantee will be:

(1) 16:12 (4:03 times 4 days) for a Long Call Reserve, or

(2) 16:52 (4:13 times 4 days) for a Short Call Reserve.

Note: A reserve pilot with no previously awarded Reserve line returns from a leave of absence as a Long Call Reserve pilot.

15-8. Q. *May the Company displace and assign reserve pilots for qualification purposes, e.g., take-offs and landings, line check, and Hit Cities when they are not the junior reserve available?*

A. Yes

15-9. Q. *Can the Company assign a reserve pilot to fly over the monthly maximum of eighty-five (85:00) hours PROJ?*

A. No. The Company may not assign a reserve pilot to exceed the monthly maximum (85:00) based on the pilot's PROJ.

15-10. Q. *What is the maximum number of hours that a reserve pilot can be awarded for flying on his days off?*

A. A reserve pilot may be awarded flying on days off up to the lesser of

(a) the pilot's IMAX or,

(b) the Company Limit on Voluntary Flying, if applicable.

However, the Company retains the option to restrict a reserve pilot's flying on days off in order to preserve the ability of a reserve pilot to be assigned 85:00 hours of flying on his actual reserve available days.

The following examples show how reserve flying on days off is counted against the 85:00 hour reserve assignment maximum.

Example 1.: The Company has placed a 90:00 hour limit on voluntary flying for a particular month. A reserve pilot picks-up a 15:00 hour credited sequence entirely on days off. The 15:00 hour pick-up sequence is treated as follows:

(1) 15:00 hours is added to the pilot's PROJ, and the pay is applied above guarantee.

(2) The first 5 hours of the sequence is attributed to the difference between the 85:00 hour reserve assignment maximum and the Company Imposed Maximum, and the remaining 10 hours counts against the 85:00 hour reserve assignment maximum.

Example 2.: The Company has no Company Voluntary Limit and the pilot's IMAX is 98:00. The reserve pilot picks-up a 10:00 hour credited sequence entirely on days off. The 10:00 hour pick-up sequence is treated as follows:

(1) 10:00 hours is added to the pilot's PROJ, and the pay is applied above guarantee.

(2) All 10:00 hours of the sequence falls between the 13:00 hour difference between the 85:00 hour reserve assignment maximum and the 98:00 hour IMAX. The Company retains full access to the 85:00 hour reserve assignment maximum.

Note: In this example 2, should the pilot subsequently acquire additional flying on days off, the first 3:00 hours of the additional flying would not count against the Company's ability to assign reserve flying. The flying above 3:00 hours would count against the 85:00 hour assignment maximum.

15-11. Q. *Prior to the implementation of the new Reserve Assignment System, which pilots are considered when forming variance groups in accordance with Section 18.G.6.d.?*

A. All reserve pilots in the four part bid status are considered for the purpose of forming variance groups. Once variance groups are formed only qualified, legal and available (QLA) reserves are eligible for coverage of open time, short call or long call assignments.

15-12. Q. *What is the Company's policy with respect to the assignment of reserves to open time in conjunction with the availability of reserves?*

A. Prior to implementation of the new Reserve Assignment System, when a reserve pilot is the senior pilot in the appropriate variance group, legal and available for open flying and such pilot is denied such open flying in order to be available to cover a future trip shown on the open time list, such reserve pilot shall receive flight time pay and credit for the scheduled flight time of the trip sequence denied, including applicable credits, or flight time pay and credit for the future trip sequence, if flown, whichever is greater. In all cases, the future trip on the open flying list is still open flying and must be proffered to pilots by Variance Group and GTD during the normal time period for the filling of such open trip.

15-13. Q. *If a reserve pilot is bypassed for an open trip sequence but does other flying on the days the bypassed sequence was scheduled to operate, does the other flying affect the pilot's GTD credit or reduce the amount of time to be added to the reserve pilot's pay projection (PPROJ) at the end of the month?*

A. The entire scheduled value of the bypassed trip sequence is always added to the reserve pilot's pay projection (PPROJ) at the end of the month, regardless of other flying, whether by proffer or by assignment, which the reserve may have performed on the days the bypassed sequence was scheduled to operate. Any time in the PPROJ above the monthly maximum will be placed in the pilot's CPA at one for one. If the pilot's actual flight time worked was more than was credited on the days the bypassed trip was scheduled to operate, the additional flight time worked is also added to the pilot's GTD.

15-14. Q. *Reserved*

15-15. Q. *Can a reserve pilot be assigned a trip that originates after 2400 but terminates prior to noon on the first day of a forty-eight (48)?*

A. No. The flight must originate prior to 2400.

15-16. Q. *A reserve pilot is available for only one day because of a duty free period that starts at midnight. To what length trip could this pilot be assigned?*

A. In this case, the reserve pilot could only be assigned a trip that was scheduled to terminate at the pilot's crew base no later than midnight. However, if no other pilots were available, the above pilot could be assigned a trip that flew the pilot into the duty free period, as long as it returns the pilot to the pilot's crew base no later than 1200 local base time on the first day of the duty free period. No pilot can be assigned to fly into a duty free period as long as there is a pilot available that can be assigned the trip and not flown into their duty free period. A pilot can only be assigned to fly into two (2) duty free periods per month.

15-17. Q. *When is a reserve pilot who completes a Domestic Sequence legal again if such pilot is scheduled and arrives at 0300 the first day of a 72 hour duty-free period which is scheduled in the current month?*

A. 0300 + 0:15 debrief + 12 hours + 72 hours.

15-18. Q. *Reserved*

15-19. Q. *How is a "Short Notice" open sequence awarded/assigned?*

A. When an open sequence is considered a "Short Notice" assignment, Crew Schedule will first identify and contact the appropriate QLA Reserve pilot on Short Call Duty in accordance with the reserve assignment process to establish the time needed for final notification in order to make the scheduled departure of the sequence. During this designated established period of time until final notification, Crew Schedule will proffer the open sequence per the rules of Section 15.L (Filling of Open Flying Time) to as many pilots as possible until reaching the notification deadline of the identified reserve pilot.

15-20. Q. *May a reserve pilot move a Duty Free Period (DFP)?*

A. A reserve pilot's DFP's may be moved by mutual consent between the pilot and the Company in any combination.

15-21. Q. *How does the Company schedule a free standing 24 hour DFP for a reserve pilot?*

A. The bid sheet cannot include a free standing 24 hour DFP for a reserve pilot. Once the month begins, the Company may either (1) move a moveable DFP and place it contiguous to an existing DFP leaving 24 hours of the original DFP as a stand alone 24, or (2) move a moveable 24 and place it as a free standing 24 leaving a minimum of 48 hours in the original DFP. In no case may the Company create more than one free standing 24 hour DFP in any one contractual month by the movement of moveable DFP's.

15-22. Q. *Can the Company schedule a normal duty free period (DFP), or a moveable DFP, contiguous to the beginning of a reserve pilot's golden DFP?*

A. Yes. However, a normal DFP scheduled contiguous to a golden DFP must be treated the same as the golden DFP; that is, the Company cannot schedule or assign any flying into the normal DFP. A moveable DFP can be scheduled contiguous to a golden DFP, or contiguous to a normal DFP which is contiguous to a golden DFP. A moveable DFP scheduled this way can be moved in accordance with Section 15.D.2.c. However, if the moveable DFP is not moved, it too must be treated the same as the golden DFP; that is, the Company cannot schedule or assign any flying into the moveable DFP. Once the month begins a moveable DFP can be moved and placed contiguous to a golden DFP, in which case it must also be treated the same as the golden DFP.

15-23. Q. *Can a pilot trade a golden DFP?*

A. Yes. However:

A golden DFP that is traded contiguous to a normal or moveable DFP reverts to a normal DFP.

An entire golden DFP that is traded for a normal DFP will no longer be considered a golden DFP and the normal DFP received will revert to a golden DFP unless it is contiguous to a normal or moveable DFP.

A portion of a golden DFP that is traded will no longer be considered a golden DFP unless the trade is for another golden DFP and is not contiguous to a normal or moveable DFP.

15-24. Q. *A pilot in pick-up is eligible for a trip that requires a supervisory pilot but due to Company requirement (not FAR) is denied such trip due to lack of availability of a supervisory pilot. Is the pilot entitled to pay and credit for the trip?*

A. No, a pilot must be qualified legal and available in order to be awarded a trip in pick-up.

15-25. Q. *A pilot on reserve needing a twenty-five hour (25:00) line check with a supervisory pilot is bypassed for an open trip due to the unavailability of a supervisory pilot. Is the reserve entitled to pay and credit for the trip?*

A. No.

15-26. Q. *May the Company schedule regular layovers (off-duty periods) of less than 10 hours?*

A. No. In accordance with Section 7.A.7, all regularly scheduled layovers (off-duty periods) must be no less than ten (10) hours plus one (1) hour reporting and fifteen (15) minutes debriefing (11 hours 15 minutes -- 11 hours 30 minutes International)

15-27. Q. *Is a pilot allowed to use pick-up and fly to that pilot's IMAX or the Company Limit on Voluntary Flying when retiring on the 25th or should the month be prorated?*

A. Yes, the pilot may pick-up and fly to that pilot's IMAX or the Company Limit on Voluntary Flying.

15-28. Q. *A pilot in pick-up was proffered and awarded a trip sequence via the Daily Open Time Coverage (DOTC) process. The pilot subsequently advised the Company he/she was sick and would not be able to fly the awarded pick-up sequence. Is the pilot entitled to the pay for this pick-up sequence?*

A. No. A pilot removed from a trip sequence due to an illness will only be paid for sequences acquired via a PBS line award, SEP, TTS or a trip-trade with another pilot.

15-29. Q. *Is a pilot (pick-up or reserve) who is qualified, legal and available in the current contractual month entitled to proffer a sequence that will create a conflict with scheduled recurrent or requalification training consisting of six (6) days or less?*

A. Yes. The pilot must be paper legal, in accordance with Section 5.I., for the awarded sequence in conjunction with the first (1st) scheduled sequence in the next contractual month. The Company will have the option to reschedule the training or remove and pay the pilot for the fly through trip sequence. If the training is moved, the pilot will be paid for the sequence(s) actually flown or displaced from, if applicable.

15-30. Q. *A pilot in pick-up proffered and was awarded a trip sequence. Such pilot reported and signed in for the pick-up sequence. Prior to departure of the first (1st) flight of the sequence, the pilot advises the Company he/she is sick and will not be able to fly the awarded pick-up sequence. Is the pilot entitled to the pay for this pick-up sequence?*

A. Yes. A pilot is considered on duty one (1) hour prior to the scheduled or rescheduled departure time of the first flight of a duty period, or thirty (30) minutes prior to the scheduled or rescheduled departure time of a deadhead flight. Once a regular scheduled pilot commences a duty period and is unable to fly due to an illness, such pilot is entitled to the pay of this pick-up sequence.

15-31. Q. *Is a regularly scheduled pilot entitled to open time for the next day's flying if the pilot arrives at base and is scheduled for a forty-eight (48) on arrival?*

A. Yes, provided the pilot changes or drops such duty-free period before the start of DOTC. After the start of DOTC the pilot must contact Crew Schedule to be eligible for remaining open time.

15-32. Q. *Reserved*

15-33. Q. *May a pilot in the International Division accept a proffer of open time in the Domestic Division or vice-versa? How would the pilot be paid?*

A. Yes, provided the pilot's PROJ would not exceed the lower of that pilot's IMAX or the Company Limit on Voluntary Flying for that pilot's four-part bid status, if applicable. The pilot would be paid at their hourly base pay rate plus International override for flying actually performed when applicable.

15-34. Q. *If a Long Call Reserve pilot does not exceed his guarantee of 73:00 hours for the month, and was converted from Long Call Duty to Short Call Duty three times during the month, how would the conversion pay be applied?*

A. The conversion pay of one hour thirty minutes (30 minutes for each conversion) is added to the guarantee.

15-35. Q. *If a Long Call Reserve pilot exceeds his guarantee of 73:00 hours for the month, and was converted from Long Call Duty to Short Call Duty twice during the month, how would the conversion pay be applied?*

A. The conversion pay of one hour (30 minutes for each conversion) is added to the PPROJ.

15-36. Q. *May a pilot trade a trip if it would increase the pilot's Projection (PROJ) over the pilot's IMAX or the Company Limit on Voluntary Flying for the month?*

A. No, a pilot may not trade a trip if the trade would result in the pilot exceeding the lower of his/her 1.) IMAX or 2.) the Company Limit on Voluntary Flying for the month.

15-37. Q. *May a pilot in the International Division trade sequences within a contractual month with a pilot in the Domestic Division and vice versa?*

A. Yes, within category, provided the pilots are QLA and the trade does not result in either pilot's PROJ exceeding the lower of the pilot's IMAX or the Company Limit on Voluntary Flying for that pilot's four-part bid status. Such trades are limited to pilot-to-pilot trades only.

15-38. Q. *I attempt to travel to work. I am unable to make my departure time. Am I covered by the Commuter Policy?*

A. Yes.

15-39. Q. *Reserved*

15-40. Q. *Does pay and credit apply to delays at stations where deicing is performed on the gate (Miscellaneous Code 59)?*

A. No. However, at those stations where Company aircraft are being deiced at a location other than the gate, pay and credit is applied to cover delays at the gate awaiting pushback, powerback or taxiout due to aircraft or vehicular traffic congestion at the deicing location by filing a Miscellaneous Code 59 through ACARS.

15-41. Q. *Prior to the implementation of PBS, how does the Company determine a trip selection award commensurate with seniority when a pilot fails to submit a trip selection preference for a given month or fails to submit a trip selection preference containing a sufficient number of selections (bids)?*

A. In this event, the Company will utilize the trip selection preferences of the next most senior pilot in the appropriate bid status who has already been awarded a trip selection, and continue the awarding process from the point of the more senior pilot's award until such time as the more junior pilot is awarded a trip selection. If the more junior pilot is

unable to be awarded a trip selection (other than reserve) after exhausting all of the more senior pilots' preferences, such pilot will be awarded:

- The highest paying trip selection available.
- A vacation relief selection.
- A second round trip selection which is available.
- A reserve trip selection.

15-42. Q. at is the Company's policy with respect to the assignment of reserves to open time in conjunction with the availability of reserves after the implementation of the new Reserve Assignment System?

A. Reserve pilot assignments will be handled in accordance with Section 15.L.4.f.

AGREED TO UNDERSTANDINGS OF THE BASIC AGREEMENT

A. FUEL LANDING

When a landing for fuel is required for the operation of a Domestic Sequence, and such landing is pre-planned in the flight release prior to the departure of the crew from a station, the additional time of such fuel landing shall not be considered a reassignment under the provisions of Section 15.N. However, if such assignment causes a pilot's PROJ to exceed the lower of that pilot's IMAX or the Limit on Voluntary Flying, such excess time created as a result of the fuel landing will be paid to such pilot at the rate of one and one-half (1-1/2) minutes for each one (1) minute.

B. DEADHEAD - FIRST AVAILABLE

If a pilot is canceled or misconnects away from base, and is legal and available to deadhead to his base on the next AA flight operating, but no space is available on such flight, and as a result of a later deadhead is illegal for his next regularly scheduled sequence, such pilot shall be protected under Section 15.N. only for the sequence missed.

SECTION 16

CERTIFICATES AND RATINGS

A. Eligibility for Certificates and Ratings

Any pilot who has been in the service of the Company for an aggregate of sixty (60) months as a first officer shall, as hereafter provided, be eligible for training for an Airline Transport Pilot Certificate and equipment rating necessary for advancement to the status of captain on at least one type of airplane currently operated by the Company in regular schedule. To establish eligibility for such certificates and ratings, such pilot must possess the minimum certificated flight time required by FAR and may be required to have had one hundred (100) hours of flying as a first officer on the type airplane on which to be qualified within sixty (60) days prior to checkout for such certificates. The Company may, in addition, afford the opportunity to receive such certificates and ratings to pilots with a lesser length of service. In the latter case, pilots with a lesser length of service shall be grouped in accordance with system seniority and such groups shall be afforded, in accordance therewith, the opportunity to acquire such certificates and ratings. A pilot who has been afforded the opportunity and who has received such certificates and ratings will be designated by the Company as an "ATPC Pilot".

B. Qualifying Out of Order of Seniority

A pilot who has been given the opportunity to qualify for advancement in status, or promotion to captain, and is unable to so qualify at that time, shall not hold up the promotion of more junior pilots, provided that pilots unable to so qualify shall be governed by the provisions of [Section 13.C](#) of this Agreement.

C. ATPC Certificates Concurrent with Upgrading to Captain

The Company may extend to pilots with less than sixty (60) months of service as a first officer training for the purpose of obtaining ATPC certificates concurrent with upgrading to captain.

SECTION 17

FILLING VACANCIES, DISPLACEMENTS, REINSTATEMENTS, FURLOUGHS, AND RECALLS

A. Bid Status

1. All pilot positions are identified by their bid status which consists of four elements:
 - a. Base
 - b. Category
 - c. Equipment
 - d. Division
2. Each bid status is ranked according to its elements. Bases have no ranking. Within a base, all Captain positions are higher than all First Officer positions. Within a base and category, bid status is ranked by equipment on the basis of certificated gross weight -- the higher the certificated gross weight, the higher the ranking. If two or more models exist within an equipment type, the average certificated gross weight of the models is used to determine the ranking. Within a base, category and equipment, a bid status is ranked according to division with International being higher than Domestic.

B. Change in Bid Status

A pilot's bid status can only change as follows:

1. A pilot may bid for and be awarded a vacancy in a different bid status, which may be higher, lower or lateral (lateral meaning the same category and equipment -- different division and/or base) than such pilot's current bid status.
2. A pilot who is displaced from a bid status, because the pilot's position was eliminated or because such pilot was displaced by a more senior pilot, may displace a more junior pilot.
3. A pilot may proffer and be awarded a displacement which would have otherwise affected a junior pilot.
4. A pilot who is displaced from a bid status may later be reinstated to a vacancy in that bid status.
5. A pilot may be awarded a vacancy as a result of an entitlement which was awarded while serving a lock-in.
6. A pilot may be assigned to a bid status by the Company.

C. Qualifications Required for Bidding and Filling a Vacancy

1. All pilots may bid for and be awarded any vacancy with the following exceptions:
 - a. A probationary pilot cannot bid for a Captain vacancy.
 - b. In order to be eligible to be awarded a bid status that requires or results in an Airline Transport Pilot Certificate, a pilot must possess such certificate or have previously entered the date of the successful completion of the required written examination for said certificate into the Company's computer database.
 - c. As provided in L. of this Section, a pilot serving a lock-in may, at the Company's discretion, only be awarded an entitlement to fill a future vacancy.
 - d. A pilot who is being withheld from occupying a bid status position in accordance with M.1.b. or c. of this Section, may only bid for a bid status lateral to (same category and equipment -- different division and/or base) or higher than the bid status from which withheld.
 - e. If a pilot is awarded a different bid status, either as a result of bidding for or being assigned to a vacancy or as a result of being displaced, such pilot's bid(s) for other

vacancies processed prior to the effective date of the pending bid status award will be given consideration as follows:

- (1) For a pilot who will be required to fulfill a lock-in in the pending bid status award,
 - (a) If such pilot is the successful bidder for a vacancy which is lateral (same category and equipment -- different division and/or base) to the pending bid status award, the pilot's bid for the lateral vacancy will be awarded, or
 - (b) If such pilot is the successful bidder for a vacancy in a bid status which is higher or lower than the pending bid status award, such pilot may only be awarded an entitlement to such bid status, in accordance with [Section 17.L.5](#).
 - (2) If a pilot will not be required to fulfill a lock-in in the pending bid status award, such pilot may bid for and be awarded a vacancy in any other bid status.
2. A pilot who is awarded a different bid status, either as a result of bidding for or being assigned to a vacancy or as a result of being displaced, shall be afforded the opportunity to acquire the necessary route qualifications, equipment qualifications or ratings within a reasonable period of time.

D. Displacements

1. A pilot shall be considered displaced if any one of the following occurs:
 - a. The Company eliminates all positions in a bid status, in which case all pilots holding a position in such bid status shall be considered displaced.
 - b. The Company reduces the number of positions in a bid status, in which case, to the extent necessary to accomplish the reduction, the pilots within the bid status being reduced who have the least system seniority shall be considered displaced.
 - c. A pilot who has been displaced under any provision of this section may displace a more junior pilot in accordance with 7. below, in which case the more junior pilot may then also be considered displaced.
2. Proffer of Displacements
 - a. When a junior pilot is to be displaced from a bid status, the displacement shall be proffered in seniority order to all pilots in that bid status.
 - b. Displacement into another bid status is based upon the junior pilot's seniority. (For example, junior pilot A would otherwise be displaced; senior pilot B in the same bid status proffers the displacement; senior pilot B displaces into a bid status indicated on senior pilot B's bid preference list based on junior pilot A's seniority. Once senior pilot B is in the new bid status, bidding trip selections, vacations, etc. will be done with pilot B's own seniority.)
 - c. A pilot is eligible to proffer displacement provided:
 - (1) The pilot must fulfill a lock-in in accordance with [Section 17.L.1.](#), unless waived at the Company's discretion, except that the lock-in for a pilot who displaces to a lower bid status and only requires a short requalification training program shall be the same as a pilot bidding to a higher bid status.
 - (2) The pilot can fulfill the lock-in in [c.\(1\)](#). above prior to normal retirement unless waived at the Company's discretion.
 - (3) A pilot fulfilling a lock-in may only proffer displacement to a lateral bid status (same category and equipment -- different division and/or base) unless released from the lock-in at the Company's discretion.
 - (4) A probationary pilot cannot proffer displacement to a Captain bid status.
 - (5) In order to be eligible to be awarded a bid status that requires or results in an Air Transport Pilot certificate, a pilot must possess such certificate or have previously entered the date of the successful completion of the required written examination for said certificate into the Company's computer data base.

- (6) The pilot has not begun, or is not within five (5) days of beginning training for another bid status as a result of a previous award.
- d. A pilot proffering displacement does not have a reinstatement right.
3. Each pilot shall have access to and shall be responsible for maintaining a displacement preference list as a part of his or her standing bid list. On the displacement preference list a pilot may list in order of preference any bid status to which the pilot would prefer to displace in the event such pilot is displaced. A pilot may add to, delete from, or rearrange the order of displacement preferences at any time prior to the date on which the bid award procedure is implemented.
4. Displacements may be processed during each vacancy bid run; simultaneously with reinstatements, entitlements and bid preferences for vacancies.
5. Displacements shall be effective on the published bid effective date, however a pilot displacing to a bid status with a higher pay rate, who completes OE prior to the published effective date, will be paid the higher rate commencing with the completion of OE.
6. The Company shall provide at least fifteen (15) days advance notice of the date on which displacements will be processed. Between the date on which advance notice is given and the date on which displacements are processed, pilots may continue to access and make changes to their displacement preference lists.
7. A displaced pilot may fill a vacancy or displace a more junior pilot. The vacancy or the position to which such pilot is displacing may be in a higher, lateral, or lower bid status than the bid status of the position from which such pilot was displaced. The order of awarding a new bid status to a displaced pilot is as follows:
- a. A displaced pilot shall fill a vacancy from such pilot's bid preference list.
- b. From such pilot's displacement preference list, the pilot shall be awarded the highest preference to which entitled by seniority.
- (1) Such pilot shall have a reinstatement right to the bid status from which displaced, and
- (2) Shall not incur a lock-in in the bid status awarded.
- (3) Such pilot who is awarded, from the displacement preference list, a bid status at a base other than the one from which displaced, will be eligible for moving expenses as provided in [Section 8](#), provided:
- (a) Such pilot was not senior enough within his former base to have been awarded:
- (i) a lateral (same category and equipment - different division) displacement, or
- (ii) a displacement to a bid position of equal or greater pay;
- (b) Such pilot relocates to the base to which displacing;
- (c) Such pilot incurs a lock-in in the bid status to which displacing equal to the down-bid lock-in specified in [Section 17.L.1.b](#); and
- (d) Such pilot forfeits any reinstatement right to the bid status from which displaced.
- (4) When such pilot is awarded a bid status from the displacement preference list, the junior pilot who held that bid status may then be considered displaced.
- c. If the seniority of a displaced pilot does not entitle such pilot to a bid status from either the bid preference list or the displacement preference list, such pilot shall be assigned to a different bid status at that pilot's base.
- (1) Such assignments shall be made in the following order:
- (a) The displaced pilot will be assigned a vacancy in the highest bid status above the displaced status to which entitled by seniority at that pilot's base.
- (b) The displaced pilot will displace a more junior pilot in the highest bid status above the displaced status to which entitled by seniority at that pilot's base.

- (c) The displaced pilot will be assigned a vacancy in the next lower bid status if available at that pilot's base. If no vacancy is available, the pilot will displace a more junior pilot in that same next lower bid status at that pilot's base.
 - (d) Step (c) will be repeated at each successively lower bid status until the displaced pilot is assigned a bid status at that pilot's base.
- (2) A pilot so assigned shall have a reinstatement right to the bid status from which displaced, and
- (3) Shall not incur a lock-in in the bid status to which assigned.
- d. If a displaced pilot cannot be awarded a vacancy at that pilot's base and there is no more junior pilot at that base, such pilot may be proffered those vacancies in the system for which there are no bidders, and then, if necessary, be assigned to such a vacancy.
 - (1) Such pilot shall have a reinstatement right to the bid status from which displaced, and
 - (2) Shall not incur a lock-in in the bid status awarded or to which assigned.
- 8. A pilot can only be displaced once in any contractual month, but a pilot who has been displaced may be displaced again in a later month. A pilot who has been displaced more than once may hold multiple reinstatement rights in accordance with E. of this Section.

E. Reinstatement Rights

- 1. A reinstatement right provides a displaced pilot with the right to be reinstated to a vacancy in the bid status from which displaced before such vacancy is awarded to any other pilot who does not have a reinstatement right.
- 2. When a pilot is displaced and is awarded another bid status, such pilot shall have a reinstatement right, unless the pilot is either awarded a bid status which was on the bid preference list or the pilot is entitled to receive moving expenses in accordance with [D.7.b.\(3\)](#) of this Section. As provided in [D.2.d.](#) of this Section, a pilot proffering displacement does not have a reinstatement right.
- 3. Duration of Reinstatement Rights
 - a. Any reinstatement right existing prior to January 1, 2013 shall not have an expiration date.
 - b. Any reinstatement right created on or after January 1, 2013 shall expire 36 months after the effective date of the event that created the reinstatement right. If, on the effective date of such event, the longest FAA-required training course for re-qualification to that reinstatement bid status is triggered in a period shorter than 36 months, then the reinstatement right will expire at the end of the shorter period (e.g., If the FAA requires the longest training course after a 30-month absence from the bid status, the reinstatement right will expire at the end of the 30th month following the effective date of the event that created the reinstatement right).
 - c. For purposes of this section, a furloughed pilot's reinstatement right, if any, is awarded and effective on the date of recall.
- 4. When two (2) or more pilots have a reinstatement right to the same bid status, their reinstatement rights will be honored in seniority order.
- 5. A pilot who has a reinstatement right to a bid status will automatically be reinstated if a vacancy becomes available in that bid status.
- 6. A pilot shall lose a reinstatement right to a bid status if reinstated to that bid status or if awarded any bid status which is on such pilot's bid preference list, except when awarded a lateral bid.
- 7. If a pilot has a reinstatement right, it will be included on the standing bid list and will be identified as a reinstatement right.
- 8. A pilot who has a reinstatement right may choose to forfeit such right at any time by deleting it from the standing bid list. If a pilot has more than one reinstatement right, such pilot may

choose to forfeit one or more such rights in this manner without affecting any other reinstatement rights.

9. A pilot who has been displaced more than once may have a reinstatement right to more than one (1) bid status. The reinstatement of such a pilot shall terminate reinstatement right(s) to any bid status which the pilot has ranked lower than the one to which reinstated but shall not affect reinstatement right(s) to any bid status which the pilot has ranked higher than the one to which reinstated. However, if such a pilot is awarded any bid status which is on such pilot's bid preference list, that pilot shall forfeit all reinstatement rights, except when awarded a lateral bid.

F. Advance Notice of Vacancies to be Filled [See Q&A 17-8]

1. At least fifteen (15) days before implementing the bid award procedure, the Company shall provide notification of the following:
 - a. The date on which the bid award procedure will be implemented.
 - b. The number of known vacancies identified by bid status.
 - c. The effective date of all known vacancies.
 - d. A forecast of the total number of positions in the system for the first, third and sixth months, with the first month being the first month in which the vacancies are effective.
 - (1) The forecasts for the first and third months will be by bid status at each base or satellite base.
 - (2) The sixth month forecast will be for the system by category, equipment and division.
2. The forecasts required in 1. shall be the best estimates which the Company can provide, but they shall be made available solely as a guide and shall not, in any way, represent a commitment that the number and/or distribution of forecasted bid status positions will actually develop or be maintained.
3. Following the notification required in 1., pilots may continue to access and make changes to their standing bid lists at any time prior to the date on which the bid award procedure is implemented.

G. Bid Award Procedure

1. When there are known vacancies and/or displacements, the Company shall, no less than three (3) times per calendar year, simultaneously award bids for vacancies, and process displacements, reinstatements, entitlements, and also process displacements and vacancies resulting from such awards. All awards shall be based on system seniority giving first priority to reinstatement rights, second priority to entitlements and then bids for vacancies. Only those bids or displacement preferences indicated on pilots' standing bid lists will be considered in the bid award procedure. [\[See Q&A 17-7\]](#)
2. With the exception of V. (Furloughs) and W. (Method of Recall) of this Section, none of the procedures in Section 17. (bidding for vacancies, displacements, etc.) shall apply to the Flight Test pilot positions.
3. The Company may accelerate the effective date of a bid to a given month if a pilot is scheduled to complete training during that month.
4. In the case of a change of bid status to a higher paying position, the Company will offer training in seniority order. In the event the Company chooses to bypass a pilot for a more junior pilot, then on a one-for-one basis, each bypassed pilot will be pay protected to the same effective date. [\[See Q&A 17-3\]](#)
5. In the case of a change of bid status due to a displacement, the Company will assign training in inverse seniority order.

H. Standing Bid List

1. Each pilot shall indicate preferences for any change in bid status on a standing bid list. A pilot's standing bid list shall be the only method of bidding for vacancies or expressing

preferences for bid status positions should such pilot be displaced. Each pilot's standing bid list may include any or all of the following:

a. Bid Preference List

- (1) A pilot's bid preference list shall include all of that pilot's bids for any other desired bid status positions, listed in order of preference by the pilot. [See Q&A [17-4](#)]
- (2) The bid status positions listed need not be vacant at the time they are placed on a pilot's bid preference list.
- (3) If a pilot is displaced, such pilot shall be awarded the highest preference on his or her bid preference list to which such pilot is entitled by seniority, provided the position is vacant.

b. Displacement Preference List

- (1) A pilot's displacement preference list shall include all of that pilot's preferences for bid status positions to which such pilot would displace in the event of displacement from his or her present bid status position.
- (2) Displacement preferences shall be listed in order of preference by the pilot.
- (3) If a pilot is displaced and a vacant bid status position cannot be awarded from such pilot's bid preference list, such pilot will displace to the highest preference on his or her displacement preference list to which entitled by seniority.
- (4) If pilots are displaced and have expressed no bid or displacement preferences, or they are not entitled by seniority to a position on either their bid preference lists or their displacement preference lists, such pilots shall be assigned to positions by the Company in accordance with [Section 17.D.7.c.](#) or [d.](#)

c. Reinstatement Rights

- (1) If a pilot has a reinstatement right to a bid status from which displaced, it shall appear on such pilot's bid preference list but it shall be identified as a reinstatement right.
- (2) A pilot who has been displaced more than once may have more than one reinstatement right, in which case all such rights shall appear on such pilot's bid preference list.
- (3) A pilot may arrange bid preferences and reinstatement right(s) in any order on the bid preference list.
- (4) A pilot may forfeit a reinstatement right by deleting it from the bid preference list.

d. Entitlements

- (1) If a pilot has an entitlement which was awarded while serving a lock-in, the entitlement shall appear on such pilot's bid preference list but it shall be identified as an entitlement.
 - (2) A pilot may have only one entitlement.
 - (3) A pilot serving a lock-in who already has an entitlement may be awarded another entitlement, in which case the previous entitlement will automatically be deleted from such pilot's bid preference list.
 - (4) Pilots may arrange their entitlements and bid preferences in any order on their bid preference lists.
 - (5) A pilot may forfeit an entitlement by deleting it from the bid preference list.
2. A pilot may add, delete, or otherwise alter the preferences on the standing bid list at any time prior to the date on which the bid award procedure is implemented. All preferences on a pilot's standing bid list on the date the bid award procedure is implemented shall be considered, and any resulting change in bid status shall be binding on the pilot.

I. Notice of Bid Status Positions Awarded

1. Following the implementation of the bid award procedure, the Company shall expeditiously provide electronic notification of all bid status positions which were awarded.

2. Each pilot whose bid status changed as a result of the bid award procedure shall be individually notified of such change.
3. Following the award/assignment of training associated with the results of the bid award procedure, the Company shall provide electronic notification of the dates of all such training awarded/assigned.

J. Effective Date Of Bid Status

1. The effective date of a bid status position shall be on the date the pilot completes OE training or the published bid effective date, whichever is earlier, except as provided in R. and S. of this Section for the introduction of new equipment or the opening or reactivation of a crew base.
2. A pilot not trained in seniority order in accordance with Section 17.G.4 above, will, on a one for one basis, be considered withheld for pay purposes. The withheld pilot shall be pay protected upon the OE completion date of the applicable junior pilot. In the event such junior pilot is removed or delayed in training the pay protection shall begin on the junior pilot's original estimated completion date. The withheld pilot will be paid in accordance with Section 17.M.4 below.
3. A pilot will be paid the applicable rates of pay for a bid status commencing with the effective date of such bid status. However, a pilot who is scheduled to fly or flies in more than one (1) bid status during a contractual month as the result of a fly through trip sequence shall be paid and credited on the basis of the bid status contained in the fly through trip sequence until the fly through sequence terminates.

K. Reporting To A Different Base

1. A pilot who receives a bid status award which involves transferring from one base to another, shall normally be given a period of not less than fifteen (15) days to report to such new base from the date on which notification of the bid award was made.
2. A pilot under 1. above who is required by the Company to report to another base in less than fifteen (15) days shall be afforded reasonable time off at a later date, not to exceed fifteen (15) days, at the time of such pilot's household move, to facilitate completing moving arrangements. The pilot's schedule will be so arranged at the new base as to minimize, insofar as is possible, loss of flying time during such reasonable time off in which moving arrangements are being completed. Such pilot shall be allowed actual reasonable expenses for himself or herself only at the new base station for the number of days equivalent to the difference between the standard fifteen (15) day reporting date and the date on which such pilot was actually required to report. Where Company Regulations or any provision of this Agreement provides additional moving expenses for specific moves, such expenses shall be in addition to, but not in duplication of, the expense provisions of this paragraph.

L. Lock-Ins

1. A pilot awarded a bid status from the bid preference list or who is assigned a bid status as provided in [Section 17.N.1.](#), [2.](#), [3.](#), [4.](#), or [5.](#), shall be subject to the following period of lock-in:
 - a. If awarded/assigned a higher paid bid status -- twenty four (24) months,
 - b. If awarded/assigned a lower paid bid status -- twenty four (24) months,
 - c. If awarded/assigned a lateral bid status (same category and equipment -- different division and/or base) -- no new lock-in, but such pilot shall continue to serve the balance of any existing lock-in.
 - d. A pilot awarded to a different bid status for aircraft operated with a common type rating will not incur a lock-in.
 - e. A pilot who is serving a lock-in shall not be awarded a higher or lower bid status but may be awarded a lateral bid status (same category and equipment -- different division and/or base). However, a pilot who is serving a lock-in shall be released to initially upgrade to the next higher category after fulfilling six (6) months of such lock-in.

- f. A pilot who is displaced from a bid status while serving a lock-in shall, if later reinstated to that same bid status, resume the lock-in and serve the balance which remained at the time of displacement. However, upon reinstatement, such pilot shall be credited with any time served in the same category and equipment while displaced.
 - g. A pilot who is displaced from a bid status shall not be required to serve a lock-in in the bid status assumed after displacement unless such bid status is awarded from the bid preference list.
 - h. A pilot who proffers a displacement from a bid status shall be required to serve a lock-in in the bid status assumed after displacement.
 - i. If a pilot, who is awarded/assigned a position in a lower bid status and is subject to the twenty four (24) month lock-in in b. above, is withheld from such bid status in accordance with M. of this Section, the lock-in shall be reduced by one (1) month for each month such pilot is withheld beyond the third (3rd) month after the effective date of the position from which withheld.
 - j. A pilot awarded/assigned a bid status on "new equipment" or at a newly opened or reactivated base shall be subject to the lock-in provisions of R. or S. of this Section, as applicable.
2. A newly hired pilot shall serve a six (6) month lock-in in the bid status of initial assignment. Such pilot may be awarded/assigned a lateral bid status (same category and equipment – different division and/or base), in which case the pilot shall not incur a new lock-in but shall continue to serve the balance of the existing lock-in.
 3. Lock-ins shall become effective as follows:
 - a. A lock-in shall not commence prior to the effective date of the award.
 - b. A pilot who completes required training prior to the effective date of an award shall begin any applicable lock-in on the effective date of such award.
 - c. A pilot who completes required training after the effective date of an award shall begin any applicable lock-in on the first day of the contractual month following the completion of training, but no later than the first day of the second (2nd) contractual month following the commencement of training.
 - d. Any lock-in required for a pilot who has been withheld, shall begin when the pilot's period of withholding ceases, irrespective of when the pilot trains.
 4. Lock-ins are a function of a change in bid status and are not mitigated or satisfied by previous or current qualifications or previous lock-ins.
 5. A pilot who is serving a lock-in may bid for vacant bid status positions; however, if such pilot is the successful bidder such pilot may, at the Company's discretion, only be awarded an entitlement to the bid status. After such pilot has served the lock-in the entitlement may be exercised only when there is a vacancy in the bid status. Entitlements to a vacancy are awarded immediately after reinstatement rights. A pilot with an entitlement to a bid status will be awarded a vacancy before any pilot who does not have a reinstatement right or an entitlement. If more than one pilot has an entitlement to the same bid status, a single vacancy is awarded to the most senior.
 6. Nothing herein shall prevent the Company from terminating a pilot's lock-in at its discretion.

M. Withholding From A Bid Status Position

1. A pilot who is eligible to be awarded a bid status position may, at the Company's discretion, be withheld from occupying such position under the following circumstances:
 - a. Consideration of age,
 - b. Anticipated eligibility for and commitment to occupy a higher bid status than that from which such pilot is being withheld, as indicated on that pilot's bid preference list at the time such pilot is withheld,
 - c. Operational reasons, such as manning requirements or availability of training or equipment.

2. Withholding Time Limits - General

- a. If it is necessary to withhold a pilot from a bid status preference the following rules apply:
 - (1) a first year pilot's withholding period from a lateral position is limited to a total of two (2) months.
 - (2) A non-first year pilot's withholding period from a lateral position is limited to a total of six (6) months.
 - (3) All other withholding periods shall be no greater than twelve (12) contractual months from the effective date of the bid status award. This twelve (12) month limit shall not apply to the following exceptions:
 - (a) A pilot being withheld from a bid status preference in consideration of the pilot's age.
 - (b) If fleet specific training facilities that are owned, leased, or operated by the Company or an affiliate are fully utilized for American Airlines pilot training and no contract training capacity exists at any outside training facility.
 - (c) If necessary due to extraordinary circumstances, the Company and the Association will meet and agree on an appropriate duration for such withholding. Extraordinary circumstances, include but are not limited to:
 - An act of God,
 - A strike by any other Company employee group,
 - A national emergency,
 - Involuntary revocation of the Company's operating certificate(s),
 - Grounding of a fleet type or a substantial number of the Company's aircraft,
 - A reduction in the Company's operation resulting from a decrease in available fuel supply caused by either governmental action or the suppliers being unable to meet the Company's demands,
 - The unavailability of aircraft scheduled for delivery,
 - Start up of a new division (e.g., South America),
 - Elimination of a fleet type.

3. Withholding From A Displacement Preference

- a. A pilot may be withheld from a displacement preference bid status if, the Company projects the pilot will subsequently be displaced from the displacement preference, that the pilot is entitled to by seniority, within three (3) contractual months of the effective date of the displacement. If the pilot is withheld from a displacement preference and is assigned a displacement preference at the same base as the withheld displacement preference, the Company may, if the original three (3) month estimate is in error, extend the withhold period for up to three (3) additional months if the Company projects that the pilot will be displaced in that time period. For each bid status from which a pilot is withheld, the three (3) month limitation and the three (3) month extension provided for in this paragraph will apply beginning on the effective date of the pilot's withhold from each such bid status.
- b. A pilot who is withheld from a displacement preference, and is assigned a displacement preference at a different base from the withheld displacement preference, shall receive priority passes for travel between the pilot's base and the AA station nearest the pilot's residence to cover any flying obligation while that pilot is being withheld. The pilot does not qualify for priority passes after the pilot is either awarded a bid status preference, or is subsequently displaced from the withheld displacement preference.
- c. If a pilot does not have sufficient displacement preferences listed to indicate a displacement preference to a bid status other than from what the pilot would be withheld, the Company shall contact that pilot and obtain additional displacement preferences.
- d. A pilot withheld from a displacement preference shall be entitled to a reinstatement right to each displacement preference from which such pilot is being withheld. Multiple

reinstatement rights are permitted. Such pilot shall be paid for the highest four part bid status from which that pilot is being withheld.

- e. If a pilot can occupy the withheld bid status position at the end of the time period outlined in Paragraph a. above, the pilot shall assume the bid status effective with the next contractual month.

4. Effective Date Of Withholding Pay

- a. A pilot will be considered withheld commencing with the effective date of the bid status position from which withheld, and shall as of that date, be paid the highest equipment rate of pay for the bid status from which withheld or the rate of pay for the flying actually performed, whichever is greater.
- b. Such pilot shall be advised at the time of withholding the reason for withholding and the estimated duration of withholding.
- c. Pilots being withheld shall retain their current bid status.

5. Termination Of Withholding/Withholding Pay

- a. Withholding pay protection shall cease:

(1) When a pilot withheld under 1.a. above:

- (a) No longer has a more junior pilot flying in the withheld status, or
- (b) Is awarded a different bid status from the bid preference list.

(2) When a pilot under 1.b. above:

- (a) Is assigned to a position in the withheld bid status, or
- (b) Is assigned to a position in the higher bid status which such pilot had committed to accept when withheld, or
- (c) No longer has a more junior pilot flying in the withheld bid status, or
- (d) Is awarded from the bid preference list a position in a bid status lateral to or higher than that from which withheld.

(3) When a pilot under 1.c. above:

- (a) Is assigned to a position in the withheld bid status, or
- (b) Is awarded from the bid preference list a position in a bid status lateral to or higher than that from which withheld, or
- (c) Has a more senior pilot displaced from the bid status from which withheld.

- b. (1) When a pilot's period of withholding ceases in accordance with [\(1\)\(a\)](#), [\(2\)\(c\)](#), or [\(3\)\(c\)](#) above, the pilot will be considered displaced from the withheld bid status.

(2) (a) Such pilot will then be awarded a bid status position in accordance with D. above (Displacements), or withheld from such bid status position in accordance with M. above (Withholding From A Bid Status Position).

- (b) The provisions of [D.2.](#) above (Proffer of Displacements) do not apply when a pilot is displaced from a withheld bid status, i.e., the displacement is not proffered to other pilots.

(3) In accordance with E. above (Reinstatement Rights), such pilot will be eligible for a reinstatement right to the bid status for which withholding ceased.

- 6. When a pilot's period of withholding ceases, such pilot shall, as of that date begin serving any lock-in which may be required by the provisions of [L.](#) of this Section. If a pilot has been withheld from a lower bid status, the provisions of [L.1.h.](#) may apply.

N. Assignment to a Bid Status

The Company may assign a pilot to a bid status in the following circumstances:

1. If there are no bidders for a Captain vacancy, the Company will again proffer the Captain vacancy. If there are still no bidders for the Captain vacancy, the Company will assign the most junior qualified First Officer in that base to the Captain vacancy.
2. In accordance with the provisions of [17.D.7.c.](#) and [d.](#), the Company may assign displaced pilots to a bid status.
3. Except for a newly hired pilot, a pilot assigned in accordance with 1. above shall serve a twenty-four (24) month lock-in in accordance with [L.1.a.](#) of this Section.
4. A newly upgraded Captain may be assigned First Officer flying to acquire experience. Such pilot will be given a temporary bid to that First Officer status and will bid for trip selections according to seniority within that First Officer status. Such pilot will be paid rates of pay according to that pilot's current status or the assigned status, whichever is greater.
5. Each month the Company shall provide the Association with information detailing the initial bid status assignments of all newly hired pilots and all pilots who were withheld from such bid status.

O. Reserved

P. Failure to Qualify

1. When a successful bidder fails to qualify for an awarded bid status within thirty (30) days from the effective date of the award -- subject to weather, equipment availability, or extent of qualification requirements -- such pilot shall forthwith return to his or her former bid status at such pilot's own expense. The unfilled vacancy shall then be considered a new vacancy.
2. The Company may, at its discretion, extend the thirty (30) day window to accommodate the continuation of training course already begun.
3. It is recognized that a pilot who has been awarded a bid status may be unable to commence or complete training to qualify for that new bid status due to circumstances beyond the pilot's control. In this case the following provisions apply:
 - a. The pilot will be returned to his/her previous status and paid in accordance with that previous status.
 - b. When the pilot is able to again commence training for the awarded bid status, or when such date can be reasonably determined, the pilot will notify the Company. Upon such notification, the pilot will be awarded a reinstatement right to the new bid status for a future vacancy award.

Q. Cancellation Of Vacancy

If the Company awards a pilot a bid status and then cancels that award prior to its effective date, the pilot shall be considered to have been displaced from the bid status awarded. If, as a result of such displacement, a pilot is awarded a vacancy from the bid preference list, the determination of any lock-in shall be based on the bid status the pilot held at the time the future award was canceled.

R. Introduction of New Equipment

1. When new equipment is introduced at a base, it will be considered "new equipment" for the first twelve contractual months following the effective date of the first vacancy, and the Company may award vacancies on such new equipment up to six (6) months in advance of their effective dates. However, if the Company makes no vacancies available on the new

equipment for any three (3) consecutive months, it will no longer be considered new equipment.

2. Vacancies on new equipment will be filled using pilots' standing bid lists and the regular bid status award procedure.
3. Pilots awarded or assigned a bid status on new equipment will serve a lock-in of twenty-four (24) months. A lock-in of twelve (12) months applies to those pilots who may have held a lateral bid status (same category and equipment -- different division and/or base).
4. Pilots who are serving a lock-in at the time the Company announces the introduction of new equipment may bid for vacancies on the new equipment. If they are awarded a bid status on the new equipment, their existing lock-in will terminate and they will begin a lock-in on the new equipment.
5. Once the Company has announced the introduction of new equipment, pilots who begin training or begin a lock-in not associated with a bid status on the new equipment can not bid for the new equipment until they complete their lock-in, unless they are bidding for the new equipment from a lateral bid status (same category and equipment -- different division and/or base). If such pilots are awarded a lateral bid status on the new equipment, their existing lock-in will terminate and they will begin a lock-in on the new equipment.
6. With respect to bid status on new equipment, as with all other bid status, the Company may terminate pilots' lock-ins at its discretion, and the Company has the option to withhold pilots from a bid status.

S. Opening, Reactivating, or Closing a Base

1. Opening or Reactivating a Base
 - a. When a base is reactivated or a new base is opened, these procedures will be in effect for the first twelve contractual months following the effective date of the first vacancy.
 - b. Vacancies at a new or reactivated base will be filled using pilots' standing bid lists and the regular bid status award procedure. However, pilots will be able to qualify their bids by indicating the lowest seniority position which will be acceptable to them in the status for which they are bidding, and the Company may award vacancies at such new or reactivated base up to six (6) months in advance of their effective dates.
 - c. Pilots awarded or assigned a bid status at a new or reactivated base will serve a lock-in of twenty-four (24) months. A lock-in of twelve (12) months applies to those pilots who may have held a lateral bid status (same category and equipment -- different division and/or base). While serving a lock-in at a new or reactivated base, pilots may not assume a lateral bid status at a different base.
 - d. Pilots who are serving a lock-in at the time the Company announces a new or reactivated base may bid for vacancies at the new or reactivated base. If they are awarded a bid preference at the new or reactivated base, their existing lock-in will terminate and they will begin a new lock-in.
 - e. Once the Company has announced a new or reactivated base, pilots who begin training or begin a lock-in not associated with the new or reactivated base may not bid for the new or reactivated base until they complete their lock-in, unless they are bidding for a lateral bid status (same category and equipment -- different division and/or base). If such pilots are awarded a lateral bid status at the new or reactivated base, their existing lock-in will terminate and they will begin a new lock-in.
 - f. With respect to bid status at a new or reactivated base, as with all other bid status, the Company may terminate pilots' lock-ins at its discretion, and the Company has the option to withhold pilots from a bid status.
2. Closing of a Base
 - a. The Company will announce the closing date of a base at least six (6) months prior to the closing; except that such notice is not required when a base is closed due to unforeseeable circumstances.

- b. During the period between the announcement of closing and the closing of the base, the Company will maintain the level of earnings of all pilots assigned to such base.
- c. During the period between the announcement of the closing and the closing of the base, a pilot may bid and be awarded a position in another bid status, but such pilot may be withheld from such bid status.
- d. Once the base closing is announced, each pilot assigned to such base should indicate to the Company, using the standing bid list, preferences for bid status assignment at a different base.
- e. When vacancies and displacements are processed for the month in which the base will close, each pilot assigned to such base will indicate to the Company, using the standing bid list, preferences for bid status assignment at a different base.
- f. The moving expenses of pilots who transfer to other bases in accordance with this provision will be paid by the Company in accordance with [Section 8](#) of this Agreement.

T. Voluntary Mutual Bid Status Exchanges [See Q&A [17-2](#), [17-6](#)]

The purpose of the Mutual Bid Status Exchange program ("Program") is to provide pilots at a base to be awarded their three-part bid status (category, equipment, division) at a different base.

The Association administers the Program solely as an accommodation to the Company. The Association assumes no special or new responsibility or liability to the Company, any pilot, or any other person or entity, as a result of its administration of the Program. The Company retains its authority and responsibility as employer under the Agreement.

A pilot, acting on his or her own behalf or through the Association as currently provided in the Agreement, has access to the existing grievance and arbitration processes set forth in Sections 21, 22 and 23 of this Agreement, provided, however, that in any such grievance proceeding an arbitrator is without jurisdiction to enter relief against the Association.

After the normal monthly bid award process has been completed the Association will administer the Program subject to the following provisions and constraints:

1. Pilots who have indicated a preference to occupy their three-part bid status (category, equipment, division) at a different base will be identified. Pilots with pending bid statuses will not be included.
2. These pilots will be grouped by three-part bid status (category, equipment, division) and be sorted by seniority.
3. Pilots will be eligible for a mutual bid status exchange provided that each pilot is senior to the most junior pilot in their new respective bid status prior to the exchange. i.e. The mutual bid status exchange cannot result in a new more junior pilot in either one of the two statuses involved in an exchange.
4. Within each group, beginning with the most senior pilot, the Association will attempt to accommodate a mutual exchange with the next most junior pilot (or pilots, in the case of "Multi-Base" Exchanges), on the list, proceeding down the list and removing accommodated pilots until no further matches exist.
5. At the Company's option, mutual exchanges may be allowed based on a pilot's two-part bid status (category, equipment).
6. Pilots who are successfully matched in (4) above are awarded the respective bid status without incurring a lock-in.

E.g.

Seniority #	Base	Proffers:	Matched With:	Result
1	LAX	CLT	5	Awarded CLT
2	ORD	CLT	3	Awarded CLT
3	CLT	ORD	2	Awarded ORD
4	DFW	CLT	None	Remains DFW
5	CLT	LAX	1	Awarded LAX

6	LGA	CLT	9	Awarded CLT
7	LAX	CLT	8	Awarded CLT
8	CLT	LAX	7	Awarded LAX
9	CLT	LGA	6	Awarded LGA

7. APA will normally provide Crew Resources with the list of bid status exchanges by the 6th of the month preceding the effective date of the new bid statuses.

U. Change of Base Due to Hardship

The Vice President-Flight of the Company and the President of the Allied Pilots Association will consider each request for a change of base due to hardship on a case-by-case basis, giving due consideration to the particular circumstances involved.

V. Furloughs

1. When a curtailment of operations results in fewer pilots being employed by the Company, the most junior pilots in the system, irrespective of their bid status or any rights that have accrued to them, shall be furloughed on a system-wide basis in reverse order of system seniority.
2. In the event of a furlough, the Company will notify all pilots that it will consider all requests for Leaves of Absence in order to mitigate the number of furloughs.
3. Pilots to be furloughed will be given thirty (30) days' notice before the effective date of the furlough. Such notice will not be applicable in cases of emergency which include, but are not limited to acts of God or a strike by employees of the Company.
4. A pilot furloughed by the Company due to a reduction in force shall continue to accrue seniority during the period of such furlough. Length of service for pay purposes shall not accrue during such period of furlough.
5. Furlough Pay
 - a. A pilot who has completed one (1) or more years of service with the Company as a flight deck crewmember and who is furloughed shall receive furlough pay based upon such pilot's earnings for the last full month prior to the announcement of furlough, but not less than the average of Long Call and Short Call Reserve guarantee for the bid status such pilot held that month, for the period of time specified below, except that no furlough pay will be paid when furloughs are caused by an act of God, a national emergency, involuntary revocation of the Company's operating certificate(s), a strike by any Company employee group, or 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.

If a pilot has completed:

1 year of service	1 month furlough pay
2 years of service	1-1/2 month's furlough pay
3 years of service	2 month's furlough pay
4 years of service	2-1/2 months' furlough pay
5 years of service	3 months' furlough pay
6 years of service	3-1/2 months' furlough pay
7 years of service	4 months' furlough pay
8 years of service	5 months' furlough pay
9 years of service and thereafter	5-1/2 months' furlough pay

- b. A pilot eligible for furlough pay shall receive such pay starting at the time of furlough and such payments for the amounts due shall be at regular pay periods and continue until all furlough pay credit is used, except that in no event shall any such pay be due after the effective date of recall or, if such pilot elects to defer recall in accordance with W.3. of this Section, the effective date of such deferral.

W. Method of Recall

1. All pilots furloughed from the Company shall file proper addresses with the Vice President-Flight of the Company at the time of furlough. Any changes in address must be supplied promptly to the Vice President-Flight of the Company. A pilot shall not be entitled to preference in re-employment if such pilot does not comply with the foregoing requirements.
2. Furloughed pilots who are recalled to the employ of the Company shall be allowed a period of twenty-one (21) days to return to the service of the Company after date of postmark of reply-requested telegram or cablegram, or certified return-receipt-requested letter, of such pilot's reassignment to duty with the Company, sent to the last address on file with the Vice President-Flight of the Company.
3. Furloughed pilots referred to above who are recalled to the employ of the Company must respond to such recall in accordance with paragraph 2. above, provided, however, such recalled pilot may defer return to the active flight payroll for a period not to exceed two (2) years from the date of postmark on the notice of recall or the date the least senior furloughed pilot is recalled, whichever date comes first, provided further that such deferring pilot may cancel such deferral, in writing, and become eligible for recall at the next recall date. When a pilot's deferral period has expired, such pilot will be eligible for recall and such pilot will be recalled when the needs of the Company require such recall. Pilots electing to defer their return to the Company in accordance with the above must notify the Company by telegram, cablegram, or certified letter, return-receipt-requested, of their decision and length of requested deferral, within twenty-one (21) days of postmark on their recall notice. Pilots electing to defer their return to active flight duty will continue to accrue occupational seniority, but length of service for pay purposes shall not accrue during such deferral period.
4. When a furloughed pilot is recalled and placed on active pilot status with the Company, such pilot shall have no prior right or claim to any vacancy or vacancies that have been filled during the period of such furlough. However, if the pilot had a reinstatement right at the time of furlough, the pilot may reclaim such reinstatement right. If more than one reinstatement right was held, the pilot may select one such reinstatement right.

X. Number of Bid Status Positions

1. The minimum number of monthly positions in each bid status shall be no less than:
 - a. Total regularly scheduled flight time, plus
 - b. Total scheduled flight time credit, plus
 - c. Total charter and extra section flight time, plus
 - d. Ten percent (10%) of the total of a., b., and c. above (reserve), plus
 - e. Total anticipated hours of vacation, plus
 - f. Total anticipated hours of training,
 - g. Divided by the monthly average line value (MALV).
2. The above formula shall not prohibit the Company from increasing the number of pilot positions in a bid status above the minimums determined above.
3. By the fifteenth day of the month, the Company shall forward the Association a report of all flying planned and flown in the previous month.

Y. Pilot Status Listing

The Company shall publish a list each month on which shall appear the names and status of all of the pilots in the employ of the Company and the stations at which they are currently based. Such list shall include the bid status of pilots, their seniority numbers, the bid status for which reinstatement rights are held, entitlements, lock-ins, and deferrals. Three (3) current copies of such list shall be distributed monthly to the Flight Department offices at each base, one (1) additional current copy of such list shall be posted on the Bulletin Board at all bases and co-terminals, and one (1) current copy shall be furnished to the Chairman and Vice Chairman of each Domicile and the President of the Association. Such lists shall be made available at all times for examination by pilots, and no such list shall be removed from Company property.

Z. Section 17 Questions and Answers

17-1. Q. *Can a newly hired pilot be assigned to a vacancy for which more senior pilots are bidding?*

A. Yes. More senior pilots who have bid preferences for the bid status to which a newly hired pilot is assigned, and who are not awarded the vacancy, may be fulfilling a lock-in (for example, a 24 month lock-in as a 767 first officer), or they shall be withheld from the bid status to which a newly hired pilot is assigned. If the pilot is denied the vacancy as a result of a lock-in, such pilot shall be given an entitlement right to the position.

17-2. Q. *While serving a lock-in a pilot is awarded a bid status for the same equipment, seat and division via the "Voluntary Mutual Base Exchange Program". Is such pilot released from the existing lock-in?*

A. No. The pilot will continue to serve the balance of the existing lock-in.

17-3. Q. *May a pilot request specific training dates?*

A. Yes. A pilot will be assigned to training in system seniority order, however, pilots may request to defer training to a different available training class. All deferral requests will be considered and may be honored if manning permits. If a pilot voluntarily requests and receives a later training date the effective date of the bid for that pilot will be based on the earlier of the date the pilot completes OE or the published bid effective date.

17-4. Q. *The Company has published a bid with an effective date of April 1. A pilot is awarded a vacancy yet a more junior pilot is assigned to training prior to the senior pilot. What is the status of the senior pilot?*

A. The senior pilot will be pay protected from the date the junior pilot completes OE, or April 1, whichever is earlier. In the event such junior pilot is removed from or delayed completing training the pay protection shall begin on the junior pilot's original estimated completion date.

17-5. Q. *Can a junior pilot fill a vacancy via a displacement preference ahead of a more senior pilot with the same bid listed as a bid preference?*

A. Yes. If the junior pilot referred to above has the seniority to displace into the four (4) part bid status where the vacancy exists, such pilot will be awarded the displacement preference bid thereby eliminating the vacancy.

17-6. Q. *Does a pilot awarded a bid status for the same equipment, seat and division via the "Voluntary Mutual Base Exchange Program" lose a previously awarded "Entitlement" or "Reinstatement Right(s)"?*

A. No.

17-7. Q. *What is the interpretation of the word "simultaneously" as it relates to the Bid Award Procedure in Section 17.G.1.?*

A. The interpretation of the word "simultaneously" as written in Section 17.G.1. means "within the same bid run." The order of filling of positions are displacements, reinstatements, entitlements and preferences.

17-8. Q. *Without a monthly bid award run how will pilots know when a vacancy bid run will occur and when training will be offered?*

A. Section 17.F governs the Company's notification requirements for filling of vacancies. The Company is required to have three (3) or more vacancy runs per calendar year. The Company will provide notice prior to those vacancy runs. As an example, the Company may give notice in December for a vacancy run that will have an effective date of April 1. The vacancy bid will be run and awarded in December. Training will occur prior

to April 1. Some pilots may begin training shortly after the bid is awarded while others may not attend training until closer to the effective date of April 1.

SECTION 18

HOME BASES

A. Purpose

The Home Base concept is intended to capitalize upon unique opportunities to allocate flying that originates from specific, non-crew base airports and award that flying to pilots who reside in the vicinity of those airports.

The success of a Home Base will be judged on the following:

1. Located in an area of sufficient pilot population to easily cover all allocated flying.
2. Ability to operate successfully without dedicated reserves.
3. Ability to maintain a reliable and dependable operation out of the airport(s) associated with the Home Base.

B. Definitions

1. Home Base: An airport, or airports, separate and distinct from a Satellite Base as defined in [Section 2.JJ](#) and [Supplement U](#), from which allocated flying shall be crewed.
2. Home Bid Status: A four-part bid status within a Home Base.
3. Home Base sequence: A sequence originating and terminating at the same Home Base.

C. Establishment and Ongoing Viability of a Home Base

1. The Company and the Association shall mutually agree to the establishment of a Home Base(s). Consideration shall be given to the number of eligible pilots within a given geographical area and the nature of the flying that would be allocated to the Home Base.
2. Home Base bid status vacancies will only be awarded. Pilots will not be displaced into or otherwise involuntarily assigned such bid status.
3. Reinstatement rights to a base that has been closed will apply to a Home Base that has been established in its place.
4. There shall be no reserves assigned to a Home Base. Upon the implementation of [PBS](#), [TTS](#) and [DOTC](#), it is expected that no more than 5% of sequences assigned to the Home Base will be covered by reserves or reassignments from other bases.
5. The expectation is that a Home Base shall be no less dependable than a regular crew base and materially less expensive to operate as a result of its unique community nature.
6. In the event that for any consecutive three (3) month period, or any three (3) months in any consecutive six (6) month period, more than 5% of sequences assigned to the Home Base are covered by reserves or reassignments from other bases, the Company and Association shall meet and agree upon appropriate solutions.
7. The Company shall provide pilots with a minimum of six months' prior notice of any decision to reduce the number of positions at, or to close, a Home Base. This notice requirement to reduce the number of positions will not apply in circumstances where there are insufficient

bidders to fill vacancies in a Home Base bid status (i.e. the Company's need to maintain an equal number of positions in each Category).

8. The provisions of [Section 8](#) (Moving Expenses) and [Section 17.S](#). (Opening, Reactivating or Closing a Base) will not apply to Home Bases.

D. The Company and the Association Joint Scheduling Committee (JSC) shall include a review of Home Base flying at JSC meetings.

1. All Home Base sequences must originate and terminate at the same Home Base airport(s).
2. The number of allocated sequences available for bid at a Home Base shall be determined by the Company.
3. Temporary vacancies at a Home Base may be offered for bid during periods of increased seasonal frequency. The duration for such temporary positions shall be dependent upon the specific schedule, but will be no less than two (2) months and no more than five (5) months in duration. The applicable duration shall be published at the same time as the vacancies. Pilots awarded such vacancies shall be committed to the Home Base for the duration of the temporary vacancy. At the conclusion of the assignment, temporary Home Base pilots shall revert to their permanent bid status. In the event there are insufficient bidders for the temporary vacancies, such vacancies shall not be filled.
4. A temporary Home Base pilot may participate in the vacancy run process while serving in the temporary Home Base bid status. If awarded a different bid status, such pilot will be withheld from the new bid status until the temporary assignment is completed.

E. Eligibility for Trip Selection Awards and Assignments

1. Only pilots in the Home Base four-part bid status may bid for Home Base bidlines.
2. Pilots awarded Home Base trip selections shall be responsible for their own transportation to and from the Home Base.
3. A pilot in a Home Base bid status who fails to submit a monthly bid shall be awarded a bidline in accordance with such pilot's standing bid.

F. Home Base Bidlines

1. All sequences within any Home Base bidline must originate and terminate at the same Home Base.
2. A Home Base sequence that cannot be included in a bidline may, at the Company's option, be left in open time or transferred to an alternate Crew Base, and shall be excluded from the calculation in [C.4](#). above.

G. Filling of Open Time

1. Pick-Up (Make-Up) Flying
 - a. For the purposes of pick-up (make-up) flying, all Home Base open time sequences shall be awarded in accordance with the procedures outlined in [Section 15.L](#) (Order of Filling of Open Time).
 - b. A pilot who voluntarily accepts an open time Home Base sequence shall be responsible for his/her own transportation to and from the Home Base at which the sequence originates and terminates.
2. Other Flying

Any other open sequences shall be covered in accordance with the provisions of [Section 15.L](#). for the Filling of Open Time.

H. Trip Trade with Open Time (TTOT) / Trip Trade System (TTS)

1. Home Base sequences may be dropped into open time or traded pilot to pilot via TTOT / [TTS](#).
2. Non Home Base pilots who trade for or pick up any Home Base sequences using TTOT or TTS shall be responsible for their own transportation to and from the Home Base.

I. Administrative Support

1. Appropriate administrative support for each Home Base shall be mutually agreed to by the Company and the Association prior to the start-up of any Home Base. Parking availability, flight manual and checklist revision support will be defined as part of the specific Home Base establishment process.

SECTION 19

MISCELLANEOUS FLYING, JUMPSEAT, DEADHEAD, and TRAVEL

A. Miscellaneous Flying

Pilots shall receive applicable pay in accordance with the pay outlined in this Agreement on scheduled and extra section flights and for the following non-scheduled flights: publicity, charter, contract, scenic, attempts, courtesy flights, ferries, engine, instrument, plane and radio test flights, experimental and airway aid test flights.

B. Pilots Serving in Lower Categories

A Captain, who accepts an assignment by the Company to serve as First Officer on any flight stipulated in paragraph A. of this Section, shall receive Captain rates of pay. Any First Officer displaced from a trip by such Captain shall receive flight time pay and flight time credit on a scheduled basis for the trip or trip sequence from which displaced.

C. Cockpit Jumpseat

The luggage for the one or two pilots issued a Flight Deck Jumpseat boarding pass (1W, 2W) shall be secured:

1. In the flight deck, or
2. If the jumpseat occupant's crew luggage cannot be accommodated in the flight deck, Jumpseat occupants will be allowed to use available cabin overhead bins for storage of crew luggage.
3. If the jumpseat occupant's crew luggage cannot be accommodated in either (a) or (b) above:
 - a. For American Airlines Pilots, the pilot may check such pilot's crew baggage (Gate Valet or similar) for retrieval on the jet bridge at destination. If a Pilot's baggage is lost, the Pilot shall be subject to the Company's policy regarding lost luggage applicable to revenue passengers.
 - b. For off-line Jumpseat occupants, luggage shall be gate checked for pick up in baggage claim at the destination.

D. Deadheading

1. Pay
 - a. A pilot, who deadheads to or from any station for the purpose of covering any of the flights specified in [paragraph A.](#) of this Section, shall be paid and credited for such deadheading at one (1) hour pay and flight time credit for each hour of such deadhead time on the type equipment covered on the basis of the scheduled flight time of the deadhead trip at Captain or First Officer rates according to the category in which serving. Deadheading at pilot's request will not be paid under this paragraph.

The above provisions covering air transportation shall apply when deadheading is by surface transportation and made in lieu of air transportation, as though the deadheading were performed by air transportation. This shall not apply between co-terminals served by the same pilot base.

- b. Deadheading on Company Aircraft

Pilots who are scheduled (allocated or rescheduled/reassigned) to deadhead on transoceanic International flights, on flights to or from Hawaii and Alaska, and on flights south of the equator (as defined below) will be provided business class accommodations (or first class accommodations if the aircraft is not configured with business class). Such pilots will not be required to deadhead in economy. If a pilot scheduled to deadhead to base on the last leg of a sequence chooses to deviate from the scheduled deadhead in order to deadhead to the pilot's residence or designated city, business class accommodations will be provided, if available at the time of booking. If business class is unavailable, such pilot will be booked in economy. The countries that qualify as flights

south of the equator are Chile, Brazil, Argentina, Bolivia, Peru, Ecuador, Uruguay and Paraguay.

c. Deadheading on Other Airlines

Pilots who deadhead on transoceanic International flights and on flights south of the equator (as defined above) will be provided business class accommodations, if available. If business class is unavailable, seats will be provided in economy.

2. General

- a. At the time sequence allocations are published, the Company shall book seats for all deadheading pilots.
- b. A deadheading pilot's record locator shall be available to the pilot prior to or at the time of check-in.

Notwithstanding the above, in an irregular operation, the Pilot may not be provided with a record locator number and shall be provided any positive-space seat available at the time the Pilot reports to the gate for the deadhead. For purposes of this, an irregular operation shall be defined as any deadheading flight that has been assigned subsequent to the normal assignment of deadheads as provided in a. above. Nothing in this paragraph lessens the deadhead benefits provided in paragraphs D.1.b. and c. above.

- c. A Pilot scheduled to deadhead on the first leg of a sequence shall notify Crew Schedule of the Pilot's intention to no-show that deadhead at least two hours (2:00) prior to the scheduled departure of the deadhead leg. Such notification shall be considered the Pilot's check-in.

A pilot may request to deadhead to the station of actual flying origin. The deadhead will occur under the same travel pass classification as the originally scheduled deadhead. The current reassignment practices for pilots deadheading from home to a station of actual flying origin other than their domicile will remain in effect. The displacement of revenue for pilots wishing to deadhead from their city to the station of actual flying origin will only be approved in the event revenue would also be displaced on the originally scheduled deadhead from the commuter's domicile.

- (1) The Pilot shall receive full pay and credit for the originally scheduled deadhead.
 - (2) The Pilot must contact Crew Schedule as soon as possible if the Pilot encounters any delays that might affect the Pilot's check-in time (for the operational leg).
 - (3) A Pilot may be required to report to domicile if that Pilot has been rescheduled or reassigned.
 - (4) The Pilot is responsible for reporting to the Pilot's scheduled operating (non-deadhead) flight on time and for reviewing all pertinent safety and administrative material prior to commencing the flight.
- d. A Commuter who is scheduled to deadhead to base on the last leg of a trip sequence may request permission from Crew Tracking to be released for purposes of deviating from the scheduled deadhead, utilizing the appropriate Business travel pass classification. Such permission will not be unreasonably withheld.
 - e. Pilot-requested alternate deadhead legs per c. and d. above shall be to/from domestic locations only on American and/or any Company owned affiliate.
 - f. A deadheading Pilot may pre-board the aircraft.
 - g. If overhead bins are full, the deadheading Pilot may gate check such pilot's crew bag (Gate Valet or similar). If a Pilot's luggage is lost, the Pilot shall be subject to the Company's policy regarding lost luggage applicable to revenue passengers.
 - h. Deadheading on Other Airlines - Upon request, the parties shall meet to consider information and recommendations that the Association may have regarding the suitability of a foreign carrier for deadheading.

E. Travel

1. The Company will provide a Positive Space Pass for one (1) D1/D2 qualified and registered dependent of a retiring pilot on the last sequence of the pilot's career.
2. One Association staff representative (could be outside counsel/advisor) will be provided positive space transportation over the Company's system for the purpose of attending negotiations with the Company.

SECTION 20

PHYSICAL EXAMINATIONS

- A.** The purpose and object of any Company physical examination for a pilot shall be to diagnose the true and actual physical condition of the pilot, and the pilot or his duly designated personal physician will be furnished with an exact duplicate copy of all medical examiner's reports affecting him.
- B.** Physical standards for Company physical examinations will be those standards set forth in the FAA Regulations as being required to maintain a First Class FAA Medical Certificate with Statements of Demonstrated Ability (waiver) for Air Line Pilots. Physical examination procedures shall be determined by the Company.
- C.** Any information obtained by, or a result of, a Company physical examination shall be strictly confidential between the Company, the Company's doctor, and the pilot, and shall not be divulged to any other person without the written permission of the pilot.
- D.** A pilot shall not be required to submit to any Company physical examination in excess of two (2) in any twelve (12) month period without the pilot's consent, unless it is the Company's opinion that his health or physical condition is appreciably impaired, in which case the following procedure shall apply:
 - 1. The Company shall notify the pilot, in writing, specifying the nature and extent of its concern.
 - 2. Any pilot hereunder who, in the Company's opinion, fails to pass a Company physical examination, may, within thirty (30) days, at his option, have a review of his case in the following manner:
 - a. He may employ a qualified medical examiner of his own choosing and at his own expense for the purpose of conducting a physical examination for the same purpose as the physical examination made by the medical examiner employed by the Company.
 - b. A copy of the findings of the medical examiner chosen by the employee shall be furnished to the Company, and in the event that such findings verify the findings of the medical examiner employed by the Company, no further medical review of the case shall be afforded.
 - c. In the event that the findings of the medical examiner chosen by the employee shall disagree with the findings of the medical examiner employed by the Company, the Company will, at the written request of the employee, ask that the two (2) medical examiners agree upon and appoint a third qualified and disinterested medical examiner, preferably a specialist, for the purpose of making a further physical examination of the employee.
 - d. The said disinterested medical examiner shall then make a further examination of the pilot in question and the case shall be settled on the basis of his findings. The said disinterested medical examiner will be given a copy of the findings of the two (2) physicians previously mentioned prior to making his examination.
 - e. The expense of employing the disinterested medical examiner shall be borne one-half (1/2) by the pilot and one-half (1/2) by the Company. Exact duplicate copies of such medical examiner's report shall be furnished to the Company and to the pilot.
- E.** When a pilot is removed from flying status by the Company as a result of his failure to pass the Company's medical examination and appeals such action under the provisions of this Section, he shall, if such action is proven to be unwarranted, as provided in paragraph [D.](#) of this Section, be paid retroactively for all time lost in an amount which he would have ordinarily earned had he been continued on flight status during such period; providing further that in no case shall he be paid for a period in excess of ninety (90) days from the date of his removal from flight status.

SECTION 21

DISCIPLINE, GRIEVANCES, HEARINGS, AND APPEALS

A. Discipline

In recognition of the mutual interest by the Association and the Company to assure that the very highest standards of pilot conduct and performance are maintained, and acknowledging the Company's obligation to timely investigate allegations of misconduct while balancing the Association's obligation to fairly represent the pilots, the Company and the Association have reached the following understanding regarding the Company's disciplinary program for pilots and the Association's rights of representation.

1. Disciplinary Program

- a. It is understood and agreed that the Company will have the right to maintain and administer a disciplinary program for pilots and that the Company may in the future revise, modify, rename, or otherwise change its disciplinary program, solely at its discretion, provided prior written notification is given to the Association and such changes are not in violation of the provisions of the Agreement.
- b. It is understood and agreed that the Company's disciplinary program will not contain any procedure or step which will require a pilot to waive the contractual right to grieve an action taken by the Company, as provided under the Agreement. The parties recognize that the initial discussion, as defined in [21.A.1.g](#) below, with an employee does not constitute discipline or a step in the disciplinary procedure.
- c. In response to the Association's expressed concerns relative to the disciplinary letters in pilots' files, the Company agrees that disciplinary letters or advisories issued to pilots under the provisions of the disciplinary program will be removed from the affected pilots' files not later than two (2) years following the date of issue.
- d. It is understood and agreed that discussion records, which are currently referred to as Personnel Employment History (PEH) entries, would be entered in and will be maintained as a permanent part of a pilot's Company personnel file; however, no advisory or disciplinary letter will refer to any adverse PEH entries in the discussion record entry which was made more than two (2) years prior to the issuance of said advisory or disciplinary letter.
- e. In accordance with [Section 24.B](#) of the AA/APA Agreement, the Company will notify a pilot each time an entry is made on the pilot's discussion record and the discussion record will be available for inspection by the pilot during business hours. Further, in response to any discussion record entry, a pilot may provide a written rebuttal which will be attached and become a part of the discussion record.
- f. The purpose of any Company discipline is to correct a pilot's behavior and/or performance.
- g. The Company will not normally impose discipline upon any pilot until a step process effort has been made to correct a pilot's behavior and/or performance. An entry in the discussion record (currently a PEH entry) of a non-disciplinary verbal advisory will include a record of the pilot meeting and specific information concerning the behavior or performance in question, but not such detail as would constitute a written advisory. The Pilot or the Association may, at either's option, provide a written response, rebuttal or addendum. The discussion record and the pilot's or the Association's response, rebuttal, or addendum can be referred to for no more than two (2) years from the date of the issuance of said discussion record.
- h. The following steps will constitute the disciplinary program for pilots:
 - (1) The first step will be a written advisory which will include specific information concerning the behavior or performance in question, any corroborating evidence, and a record of the pilot meeting. The pilot or the Association may, at either's option, provide a written response, rebuttal or addendum. The written advisory and the pilot's or the Association's response, rebuttal, or addendum will be considered part of the first step, which will reside in the personnel file or record for no more than two (2) years.

(2) The second step will be a Letter of Discipline which will include specific information concerning the behavior or performance in question, any corroborating evidence, and a record of the pilot meeting. The Company may proceed to the second step should the pilot have another occurrence documented under [A.1.h.\(1\)](#) of this Section during the time in which a first step written advisory as described in [A.1.h.\(1\)](#) is still in the personnel file or record. The Company may consider and implement other forms of corrective action. The pilot or the Association may, at either's option, provide written response, rebuttal or addendum to the Company's file or record.

- (a) The parties recognize that there are certain serious infractions that may result in termination or other discipline without prior steps.
- (b) The Company will weigh the positive attributes of the pilot's employment history when considering whether or not a pilot should be disciplined, suspended, or terminated.
- i. The Company will maintain no more than one discussion record in a pilot's personnel file and will maintain no more than one (1) personnel file or record for any pilot that can be used for disciplinary purposes. A pilot will be advised immediately if any material, notation, entry, or otherwise is placed in or removed from such personnel file or record. Such file or record will be available for inspection by the pilot at the pilot's domicile during normal business hours. At the pilot's request, an Association representative may be present and be permitted to view the pilot's file.
- j. Nothing in this Section shall be construed as requiring or otherwise forcing the Company to impose discipline upon a pilot at any time.

B. Investigation and Rights of Representation

1. A pilot shall not be disciplined or dismissed from service with the Company without an investigation and written notification of such action, including the precise charge(s) and an explanation for any action taken. A pilot shall be provided with an opportunity to meet with that pilot's Flight Department supervisor prior to the rendering of the Company's decision with regard to discipline or dismissal.
2. A pilot shall be entitled to Association representation, or the pilot may elect to be represented by another Company employee of the pilot's choice, at any meeting with the Company for the purpose of (1) investigating a matter which may result in discipline or dismissal, or (2) at which a written statement may be required, or (3) of sufficient importance for the Company to have a witness or more than one supervisor present. In any case, if a pilot does not wish to have Association representation, the Association reserves the right to have an observer present and the Company has an affirmative obligation to inform the Association in a timely manner about such meeting.
3. The Company will advise the pilot that s/he is entitled to Association representation at the time the investigative meeting/hearing is scheduled.
4. Prior to any investigation, the Company will notify the pilot and the Association of the purpose of the investigation, and make available relevant documentation including the specific charges and statements. The Company may in cases involving harassment allegations require employees of the Company to sign non-retaliatory confidentiality statements prior to reviewing statements. Further, the Company may redact names and other personal identifiers at the preliminary investigative proceeding. It is understood that should the matter proceed to the System Board, the Company will provide the Association such statements without redactions.
5. Investigations will be conducted expeditiously.
6. Meetings or investigations will be scheduled at mutually convenient times to the extent possible. The parties recognize that this provision may not be utilized to frustrate the process of conducting timely and appropriate investigations or meetings. If no mutually agreeable time can be established, the meeting will be established between 10:00 am and 3:00 pm local time; however, meetings will not be scheduled during a pilot's DFP. Once scheduled, the hearing should commence within 15 minutes of schedule and proceed as expeditiously as possible. In the event either party is unwilling or unable to commence the meeting within 15 minutes of the scheduled start time, the meeting will be rescheduled, unless mutually agreed

otherwise. The pilot will not be paid for any meeting that is rescheduled due to either the pilot's or the Association's delay.

7. Only those participants appropriate and necessary for the conduct of the investigation will be present. Only one (1) Chief Pilot/Company supervisor/Company representative will conduct and oversee any pilot meeting. Only that Chief Pilot/Company supervisor/Company representative will be designated to ask questions or direct any question to be asked of any pilot during the meeting. At no time will there be more than two (2) Chief Pilots/Company supervisors/Company representatives present during any meeting. This will not prevent either the Company or the Association from having an observer present for note taking or training. Nothing in this paragraph will preclude the Company or the Association from having those deemed necessary to the investigation present, but in no case will there be more than one (1) witness to the incident or event or one (1) expert witness present at the same time during any pilot meeting or hearing.
8. The parties agree that participants in investigations shall be free to discharge their duties in an independent manner, without fear that their individual relations with the Company, the employees of the Company, or the Association, may be affected in any manner by any action taken by them in their capacity as a participant.
9. Investigations involving TUL pilots will be conducted by their pilot supervisor, in the appropriate location. If necessary, the Company will provide the pilot Company business travel to and from that meeting.
10. The subject pilot(s) will be paid for investigative hearings at the rate of :15 minutes flight pay (no credit) for each hour or fraction thereof required.
11. Following the conclusion of the investigation at each level, the Company will provide a written statement to the pilot and to the Association outlining the results of the investigation. If the pilot and/or the Association elect(s) to provide a position statement, it will become a permanent part of the record.

C. Corporate Security Interviews

Interviews conducted by the Corporate Security Department may not result in discipline or discharge of a pilot. The Association will be notified and may have a representative attend the investigation as an observer. Pilots will be entitled to Association representation at such interviews, where the pilot is the person being investigated.

D. Grievances

1. Discipline and Discharge Grievances
 - a. A pilot may protest the Company's action(s) imposing discipline or dismissal by filing a grievance and a request for a hearing of the matter in writing within thirty (30) days of the pilot's receipt of the written notification of such action. The grievance shall be addressed to the pilot's Flight Department supervisor, with a copy provided to the Vice President-Flight and the President of the Association or his/her designee.
 - b. A pilot may be held out of service with pay by the Company, pending an investigation, hearing, appeal, or Substance Abuse Professional evaluation after a confirmed positive breath alcohol test, provided that if the pilot is charged with insubordination, criminal charges or verified positive drug test results, the pilot may be held out of service without pay. If, in the case of criminal charges or verified positive drug tests, the charges are subsequently not pursued or proven, s/he will be returned to duty without a loss of seniority, shall be paid for any time or earnings lost which the pilot would have received but for the withhold from service, and the Company shall ensure that all personnel and other records so reflect that fact.
2. Contractual Grievances
 - a. Any pilot, or group of pilots, covered by this Agreement having a grievance concerning any action by the Company, shall be entitled to the same rights and privileges as provided for in this Agreement and may protest the Company's action(s) by filing a grievance within the following time limits:
 - (1) Ninety (90) days from the date of the occurrence being grieved by an individual; or

- (2) One hundred eighty (180) days from the date of the occurrence being grieved by the President of the Association as a Presidential grievance, or by a Domicile Chairman as a Base grievance.
- (3) The President of the Association, with respect to Presidential grievances, may waive both the Chief Pilot Initial and the Vice-President Appeal grievance levels and proceed either to the Pre-Arbitration Conference, as described in [Section 22](#) of this Agreement, or pursuant to [Section 21.D.3](#), to the System Board of Adjustment, as described in [Section 23](#) of this Agreement.
- b. The Company shall have the right to file a grievance concerning any action by the Association or any matter involving the application or interpretation of this Agreement within the time limits set forth in [Section D.2.a.\(2\)](#) above. Company grievances shall proceed immediately to the Pre-Arbitration Conference as set forth in [Section 22](#).
- c. The time limits set forth in this provision shall begin to run from the point of the occurrence or, if the party did not know about the occurrence, the earlier of the date when the party knew or should have known about the occurrence.
3. Expedited Grievances: A party submitting a Presidential or Company grievance may, upon written request at the time of submission, demand an expedited arbitration of such grievance and may proceed directly to the System Board of Adjustment, as described in [Section 23](#).

E. Grievance Hearing Guidelines

1. In recognition of the mutual interest by the Association and the Company to assure that grievances are timely processed and acknowledging that communications and the exchange of documents supporting the party's specific positions at the earliest opportunity promotes quicker resolution at the lowest grievance level, the Company and the Association have reached the following understanding regarding grievance hearings.
2. Prior to an Initial or Appeal hearing, a grievant or the Association shall be given the necessary time, not exceeding twenty (20) days, in which to secure the presence of witnesses and prepare for the hearing. The grievant shall have the right to be represented by a Company employee of the grievant's choice, or by the grievant's Association representative(s). In any case that a grievant does not wish to have Association representation, the Association reserves the right to have an observer present and the Company has an affirmative obligation to inform the Association in a timely manner about such hearing. However, if the grievant did not receive the notification of the hearing in time to have had the twenty (20) days required above, if requested, the hearing will be rescheduled to provide the required twenty (20) days.
3. Prior to an Initial or Appeal hearing, the parties shall exchange documents supporting their respective positions including (a) for discipline/discharge grievances, documents to support the discipline issued, statements and the grievant's personnel file; and (b) for contractual grievances, documents that support the party's position.
4. Should any pilot(s) or the Association elect to do so, submissions will become a part of the investigation document, specifically those emanating from the initial hearing, and in response to any Company investigation disclosure.

F. Chief Pilot Initial Grievance Hearing

1. The Initial hearing shall be held by the grievant's Base Chief Pilot, or his designated representative within forty-five (45) days following the receipt of the grievant's written grievance and request for that hearing. In the event that a grievance is not scheduled within

the 45 day time frame, it shall be deemed to be denied and the grievant shall have the right to proceed to the next step in the grievance process.

2. For those pilots based at the Maintenance and Engineering Center at Tulsa, Oklahoma, the hearing shall be held by the pilot's supervisor at the appropriate location.
3. The Initial hearing may be waived at the grievant's option, and the grievance will proceed to the Appeal hearing level with the Vice President-Flight in accordance with the procedures of this Section.
4. Within thirty (30) days following the Initial hearing, the Company shall render its decision, in writing, and shall furnish the grievant, and APA Legal, a copy of the decision. The Company will provide the specific reason(s) for the decision. In the event that a decision is not rendered within the thirty (30) day time frame, then the grievance shall be deemed to be denied and the grievant shall have the right to proceed to the next step of the grievance process.

G. Vice-President Appeal Grievance Hearing

1. A decision by the Company in the Initial hearing which is unsatisfactory to the grievant may be appealed to the Vice President-Flight. The written appeal request must be signed by the grievant and filed by the grievant, or his Association representative, within thirty (30) days following receipt of the Company's decision by the President of the Association or his/her designee.
2. The Vice President-Flight, or his designated representative, shall hold the appeal hearing within forty-five (45) days after the receipt of the grievant's written request. In the event that a hearing is not scheduled within the forty-five (45) day time frame, it shall be deemed to be denied and the President of the Association shall have the right to proceed to the next step in the grievance process.
3. The Appeal documentation shall include the results of the Initial Hearing, including any position statement filed by the grievant or the Association. If a decision by the Chief Pilot has not been issued at the time the appeal is filed, the absence of the Chief Pilot's decision should be noted on the appeal notification. The Appeal documentation may be filed at or before the Appeal hearing.
4. The Vice President-Flight, or his designated representative, shall consider all pertinent information, render his decision, in writing, and shall furnish the grievant, and the President of the Association or his/her designee, with a copy of the decision within thirty (30) days after the close of the grievance hearing. The Vice-President-Flight or his designee will provide the specific reason(s) for the decision, citing factual findings and where applicable any contractual reference or past practice supporting the decision. In the event that a decision is not rendered within the thirty (30) day time frame, then the grievance shall be deemed to be denied and the President of the Association shall have the right to proceed to the next step in the grievance process.
5. After the appeal provisions of this Section have been exhausted, the President of the Association shall have the right to appeal either to the Pre-Arbitration Conference, as described in [Section 22](#) of this Agreement, or pursuant to [section 21.D.3](#), to the System Board of Adjustment, as described in [Section 23](#) of this Agreement. Appeal to either the Pre-Arbitration Conference or the System Board must be made within thirty (30) days from the date of the receipt by the President of the Association or his/her designee of the appeal decision of the Vice President-Flight. The written appeal request must be filed by the Association to the Company with a copy to the System Board Coordinator.

H. General

1. All decisions not appealed within the time limits described herein are final and binding as to the grievant but without precedent unless otherwise agreed.
2. The rights afforded in [Sections 21, 22, and 23](#) are extended to probation pilots for contractual grievances, but not for discipline and discharge grievances.
3. Time limits for hearings, decisions and appeals, established in this Section shall be considered as maximum periods. Every effort will be made to expedite all hearings,

decisions and appeals. In cases where extenuating circumstances dictate, the time limits may be extended by mutual agreement, provided that the agreement to extend is in writing and is for a specified time period.

4. A transcript recorded by a third-party certified court reporter may be taken at an investigation or hearing, with the cost to be divided equally by both parties to the dispute. In the event it is not mutually agreed that such a transcript be taken, the party requesting the transcript shall be responsible for its cost. If the other party subsequently requests a copy of that transcript, it shall be provided upon receipt of that party's payment of one-half the transcript's cost.
5. The filing of all grievances, notices, decisions and appeals provided for in [Sections 21, 22](#) and [23](#) of this Agreement and all required copies thereof shall be accomplished by hand delivery with receipt or by deposit in U.S. mail, postage prepaid, certified mail to the last known address of the party to whom the notice is being given, or by other delivery means that provide a receipt.
6. All documents which are required to be provided to the Company or the Association in writing, as described in Sections 21, 22, and 23 of the Basic Working Agreement, shall be sent to the Company's designated Grievance Coordinator and the Association's Legal Department in accordance with Section 21.H.5. above. The Company shall notify the Association of the identity of its Grievance Coordinator and shall notify the Association in writing in the event of a change in that position.

SECTION 22

PRE-ARBITRATION CONFERENCE

A. Establishment

The Association and the Company desire to implement a method of grievance resolution that will afford the parties an opportunity to resolve pending grievances prior to arbitration proceedings before the System Board of Adjustment. The parties agree that grievances may usefully be evaluated at a Pre-Arbitration Conference ("PAC") to determine if there can be a satisfactory resolution by negotiation or mediation. The parties further desire to use the PAC as a procedure to discuss their respective positions and identify and agree on the issue(s) of genuine disagreement. To this end, the parties agree to act in good faith at the PAC to discuss settlement and exchange relevant documents.

The parties may mutually agree to include a recognized mediator / arbitrator to act as a facilitator at any PAC. The facilitator shall be selected from a mutually approved list of PAC facilitators. In the event a facilitator is unavailable from the approved list for a particular PAC, the parties shall mutually agree to an alternate selection for that particular Conference only.

B. Participants

The parties shall select a minimum of two (2), but no more than five (5) representatives to serve as participants in the PAC. The Association and the Company shall each appoint a principal spokesperson for the PAC. In addition, each party must be represented by an authorized settlement agent in an effort to settle the cases.

C. Jurisdiction

1. The PAC shall have jurisdiction over disputes growing out of grievances or out of interpretation or application of any of the terms of this Agreement. The jurisdiction of the PAC shall not extend to proposed changes in hours of employment, rates of compensation, or working conditions covered by this Agreement.
2. The settlement of grievances resulting from the PAC shall be documented in writing, shall be final and binding on the parties, and shall constitute a precedent, unless the Association and the Company agree otherwise. All cases not resolved at the PAC will be so documented and may be submitted to the System Board of Adjustment.

D. Responsibility

All grievances must be submitted for a PAC prior to a hearing by the System Board of Adjustment unless otherwise provided under this Agreement. Unless mutually agreed, a grievance will only be heard at one (1) PAC.

1. The PAC will review each grievance before it to determine if there is a resolution to the grievance which is mutually acceptable to both parties; and,
 - a. Resolve the grievance in a manner mutually acceptable to both parties, or
 - b. Forward the grievance for scheduling at a Mediation Panel, or
 - c. Determine that the grievance cannot be resolved and submit the grievance to hearing by the System Board of Adjustment.

The grievant shall be notified of the PAC result, but need not be personally present during any PAC, Mediation Panel, or System Board of Adjustment.

2. The Company will provide the Association at the PAC with its position regarding any grievance scheduled for that PAC including its factual findings, and where applicable, any contractual reference or assertion of past practice supporting its position.
3. The Association and the Company will provide position statements and relevant documents no less than five (5) business days prior to the PAC, including: (a) for discipline/discharge grievances, documents to support the discipline issued, statements and the grievant's

personnel file; and (b) for contractual grievances, documents that support the party's position.

E. Scheduling of Pre-Arbitration Conferences

1. The Association and the Company shall mutually agree to schedule and convene a PAC during the months of January, April, July, and October, or as otherwise agreed to by the parties. The parties further agree that the location of the PAC shall be at either the headquarters of the Association or the Company, or at an alternate site mutually agreed upon by the parties.
2. Thirty (30) days prior to a PAC, the Association and the Company will exchange a list of its outstanding grievances that it plans to address at the next PAC. The Company may only submit one grievance to each PAC unless otherwise agreed upon by the Association. Conferences shall be scheduled so as to allow a thorough discussion of the cases submitted. When the parties mutually agree to use a facilitator for a PAC, four (4) cases per day will be scheduled. The parties may limit or extend the time requirements on a particular case by mutual agreement.
3. In the event that the Association and Company are unable to resolve a grievance at the PAC, then they may mutually seek the participation of a Mediator to sit as a member of a Mediation Panel.
4. All cases referred to the Mediation Panel must be scheduled for consideration by the Mediation Panel within thirty (30) days of the date the referral is made at the PAC.
5. In the event that the Association and the Company are unable to resolve a grievance at the PAC and the parties do not mutually seek the participation of a Mediator, the grievance may be appealed to the System Board of Adjustment, as described in [Section 23](#), within thirty (30) days from the date the grievance was discussed at the PAC.

F. Mediation Panel

1. The Mediation Panel shall consist of an equal number of Association and Company representatives, not exceeding three (3) representatives for each party, and a Mediator.
2. The Association and the Company shall select a Mediator from a mutually agreed to list of potential Mediators, and the Mediator shall serve until removed upon the request of either party. The Association and the Company will equally share the fee and expenses for the Mediator selected.
3. Upon the request of either the Association or the Company, the list of Mediators will be reviewed annually for additions or deletions.
4. The representatives of the parties shall, no later than five (5) business days prior to the scheduled date of the Mediator's participation in a Mediation Panel, present the Mediator with a brief written statement containing the issue(s) in dispute, and the arguments in support of their position. If the statement is not provided in written form, it may be provided orally at the beginning of the Mediation Panel. However, oral statements shall not exceed thirty (30) minutes in duration.
5. Proceedings before the Mediator will be informal in nature, shall last no more than one-half ($\frac{1}{2}$) day per grievance, unless otherwise agreed by the parties, and the rules of evidence will not apply.
6. No record of a Mediation Panel will be made except by mutual agreement between the Association and the Company. Any written material that is presented to the Mediator will be returned to the party presenting that material at the termination of the Mediation Panel.
7. The Mediator will have the authority to meet separately with either the Association or the Company during the Mediation Panel proceedings.
8. The Mediation Panel will not have the authority to compel a resolution of the grievance.
9. If the Mediation Panel has been unable to resolve the grievance, the Mediator will immediately provide the parties with an oral advisory decision, unless the Association and the

Company mutually agree that no advisory decision will be provided. When rendering an oral advisory decision, the Mediator will state the grounds for the advisory decision.

10. In the event that either the Association or the Company does not agree to the Mediator's advisory decision, the grievance may be submitted for hearing to the System Board of Adjustment upon notice from the President of the Association or in the case of the Company, the Vice President-Flight, to the System Board Administrator within ten (10) days after consideration by the Mediation Panel. Failure to give timely notice will constitute withdrawal of the grievance.
11. No Mediator participating in the consideration of a grievance during a Mediation Panel may serve as a member of the System Board with respect to that grievance. During the System Board proceeding on such grievance, no reference shall be made to the discussion of the parties, the comments, observations or advisory ruling of the Mediator, or to the fact that the grievance had been submitted to and was not settled by a Mediation Panel.
12. All cases proceeding to the System Board of Adjustment must be scheduled for hearing as provided in [Section 23](#).

G. General

Time limits established in this Section shall be considered as maximum periods. Every effort will be made to expedite all hearings, decisions and appeals. In cases where extenuating circumstances dictate, the time limits may be extended by mutual agreement, provided that the agreement to extend is in writing and is for a specified time period.

SECTION 23

SYSTEM BOARD OF ADJUSTMENT

A. Establishment

In compliance with the Railway Labor Act, as amended, the parties establish the American Airlines System Board of Adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of this Agreement and which are properly submitted to it. The System Board of Adjustment may be constituted as either a Four Member Board or a Five Member Board. All grievances properly submitted to the Board will be heard by a Four Member Board, unless the President of the Association, or in the case of a Company grievance, the Vice-President Flight, elects to proceed directly to a Five Member Board.

B. Membership

1. A Four Member System Board shall consist of four (4) members, two (2) of whom shall be selected and appointed by the President of the Association, and two (2) by the Company. A Five Member System Board shall consist of five (5) members, two (2) of whom shall be selected and appointed by the President of the Association, two (2) by the Company, and a neutral Arbitrator. For a Five Member System Board, the parties shall select an Arbitrator by mutual agreement, as provided for in this Section, to serve as that Board's Chairman with respect to any case or cases scheduled before that System Board. In some cases, by agreement between the Association and the Company, each party shall appoint only one (1) member each to serve on the System Board with an Arbitrator.
2. The Association shall provide a System Board Coordinator who will determine the availability of the Arbitrators, coordinate their selection, and schedule arbitrations by the procedures contained in [sections C. and D.](#) of this Section. The System Board Coordinator shall be the contact point for all communications with Arbitrators, except when System Boards are in session. The System Board Coordinator shall coordinate the various dockets, meetings, and so forth, necessary to administer the System Board. The System Board Coordinator shall not be a participant in any capacity in any hearing, appeal, PAC, Mediation Panel, or System Board of Adjustment, except as may be necessary to testify as to the System Board Coordinator's duties.

C. Selection of Arbitrator

1. The Association and the Company shall, by mutual agreement, establish a list of Arbitrators to serve as the neutral member of the Five Member System Board. Arbitrators will be categorized as suitable for Disciplinary/Discharge hearings, and/or Contractual Dispute hearings. There shall be a minimum number of ten (10) Arbitrators on each list with the understanding that an Arbitrator can be on both lists.
Every July, the Association and the Company shall disclose to each other the names of the Arbitrators that they want to either strike from or add to the list of acceptable Arbitrators. Every, August, the Association and the Company will meet to review and formally amend, if necessary, the list of acceptable Arbitrators. At the end of the August meeting, both lists of acceptable Arbitrators will be populated with ten (10) acceptable Arbitrators. The Association and the Company shall retain the right to add to (by mutual agreement) or delete from (unilaterally) the list of acceptable Arbitrators on an ad hoc basis at any time.
2. Either the Association or the Company, by written notice to the other, may at any time and without cause, remove any of the named Arbitrators. The Arbitrator so removed shall complete any pending matters in accordance with the Basic Working Agreement. If future arbitration dates have been reserved with the removed Arbitrator pursuant to the Agreement, the System Board Coordinator shall cancel those future dates, and the party requesting the removal of said Arbitrator will be responsible for any cancellation fees that may be incurred as a result of the cancellation of future dates. Upon the removal of any Arbitrator, the System Board Coordinator shall contact the remaining Arbitrators, to obtain additional dates. The

removed Arbitrator will be replaced in accordance with C. 1. above during the parties' annual review of the Arbitrators list.

3. Upon request of either the Association or the Company, the list of acceptable Arbitrators will be reviewed annually for additions or deletions.

D. Scheduling of Arbitrations

1. The scheduling of Four Member System Board arbitrations shall be as follows:
 - a. The System Board Coordinator will contact the parties, coordinate and schedule the System Board hearing, and notify all parties of the time, date and location. The Association and the Company agree that the location of System Boards shall be at either the headquarters of the Association or Company, or at an alternate site mutually agreed upon.
2. The scheduling of Five Member System Board arbitrations shall be as follows:
 - a. The System Board Coordinator will contact the Arbitrators on the agreed to list to determine scheduling availability for the next annual arbitration dates.
 - b. Upon receipt of all Arbitrator's annual available dates, the System Board Coordinator shall provide to the Association and the Company a list of the Arbitrators' annual availability, and the Association and the Company shall attempt to mutually agree upon Arbitrators and annual arbitration dates from the list prepared by the System Board Coordinator. Once the Company and the Association agree upon Arbitrators and annual arbitration dates, the System Board Coordinator will contact the Arbitrators and confirm the arbitration dates.
 - c. If a need arises for additional arbitration dates, then the System Board Coordinator will contact the Arbitrators on the agreed to list to determine availability and provide the parties a list of available Arbitrators and dates. The parties shall then attempt to mutually agree upon an Arbitrator and arbitration date from the list prepared by the System Board Coordinator.
 - d. The System Board Coordinator will schedule the System Board hearing and notify all parties of the time, date and location. The Association and the Company agree that the location of System Boards shall be at either the headquarters of the Association or Company, or at an alternate site mutually agreed upon.
3. The President of the Association (submitting a Presidential grievance) or the Company Vice President-Flight may submit a grievance to the System Board and, upon written request at the time of submission, demand an expedited arbitration of such grievance. The scheduling of expedited arbitrations shall be as follows:
 - a. The grieving party (the Company or the Association) may elect to either (1) substitute the expedited grievance in the place of any of its other scheduled grievances, provided that the Arbitrator is suitable to hear the expedited grievance as provided in [Section 23.C.1](#), or (2) schedule an additional arbitration in accordance with [23.D.2.c](#) above. The parties shall select an Arbitrator who can schedule, hear, and render a decision within one hundred twenty (120) days following the submission of the dispute to the System Board. In cases where extenuating circumstances dictate, the one hundred twenty (120) day limit may be extended by mutual agreement, provided that the agreement to extend is in writing and is for a specified time period not to exceed an additional thirty (30) days.
 - b. If additional arbitration dates have been requested pursuant to [23.D.2.c](#) above and if within seven (7) calendar days after the parties' receipt of the System Board Coordinator's list, the parties cannot mutually agree upon an Arbitrator, then the parties shall attempt to agree upon an Arbitrator that is not on the standing list.
 - c. If the parties cannot mutually agree upon an Arbitrator under [23.D.2.c](#) and [23.D.3.b](#) that is not on the standing list within fifteen (15) calendar days, then either party may proceed to the National Mediation Board to obtain a list of not less than seven (7) additional Arbitrators. The parties shall attempt to select a mutually agreeable Arbitrator from the National Mediation Board list, and if the parties fail to do so within fifteen (15) calendar days after receipt of the National Mediation Board's list of Arbitrators, then they shall proceed to select an Arbitrator by the alternating strike method within the following seven (7) calendar days.

4. With the exception of expedited grievances in Section 23.D.3. above, the Company and the Association shall make every reasonable effort to submit grievances to the System Board on a timely basis. To the extent possible, cases not scheduled to be heard by the System Board within two (2) years of filing, will be scheduled so as to be heard within twenty-eight (28) months of the original filing.

E. Jurisdiction

1. The System Board shall have jurisdiction over disputes between any employee covered under this Agreement or between the Association and the Company growing out of grievances, or out of the interpretation or application of any of the terms of this Agreement. The jurisdiction of the System Board shall not extend to proposed changes in hours of employment, rates of compensation, or working conditions covered by this Agreement.
2. For cases not scheduled to be heard within the twenty-eight (28) month timeline in accordance with 23.D.4., the Arbitrator may consider and determine appropriate offsets to backpay or additional remedy due to delays beyond the twenty-eight (28) months.

F. Submission of Disputes

All petitions properly referred to the System Board for hearing shall be served upon the Company and the Association, with a copy to the System Board Coordinator, including all papers and exhibits in connection therewith. The System Board Coordinator shall promptly docket the case. Each case submitted shall include a System Board Petition containing:

1. Question or questions at issue;
2. Statement of facts;
3. Position of their party or parties; and
4. Specific reasons for their positions.

When possible, joint submissions should be made. Upon the moving party's submission to the System Board, the non-moving party shall either join in the moving party's submission or it must provide its separate submission to the moving party, with a copy to the System Board Coordinator, no later than fourteen (14) days after receipt of the moving party's submission to the System Board. The non-moving party must submit a separate submission during this period; otherwise the arbitrator, in the case of a Five Member System Board, or the System Board members, in the case of a Four Member System Board, will be notified of the non-moving party's failure to submit and of the importance of a timely submission to the System Board.

G. Representation

1. Both the Association and the Company may permit employees covered by this Agreement to be represented at Board hearings by such person(s) as they may choose and designate. In any case, if a pilot does not wish to have Association representation, the Association reserves the right to have a representative participate in the Board hearings. Evidence may be presented either orally or in writing or both.
2. The Board acting as a whole, or the Arbitrator, or the Association or Company representative(s) may summon witnesses or documents that are requested by the parties to the dispute. This [Section 23](#) shall not restrict any additional rights granted under applicable law.
3. No later than twenty-one (21) days prior to the date set for the hearing, the parties must exchange all documents that they intend to enter in support of their respective positions and make available, in writing, the names of all witnesses they intend to summon. Nothing herein shall require the representative(s) of either party to present the aforementioned documents, or summon the aforementioned witnesses, during the course of the hearing. Representatives of either party shall not be restricted from entering documents or summoning witnesses that become known subsequent to the twenty-one (21) day exchange, provided timely notice is given to the opposing party. To the extent a party fails to disclose a document(s) or witness(es) pursuant to the above and seeks to introduce the evidence as direct or rebuttal evidence during the course of the hearing, the arbitrator, in the case of a

Five Member System Board, or the System Board members, in the case of a Four Member System Board, may take such action as appropriate to ensure that: (a) the other party is not prejudiced by the late disclosure of the document(s) or witness(es); (b) the proceedings are not unduly delayed; or (c) additional expense is not incurred.

4. The number of witnesses summoned at any one time shall not be greater than the number which can be spared from the operations without interference with the services of the Company.

H. Majority Decision is Final

All decisions of the Board shall be made by majority vote. Decisions of the Board in all cases properly referred to it shall be final and binding upon the parties. In the case of a Four Member System Board, the Board's decision shall be deemed final after at least three (3) concurring board members agree that no further Executive Board session(s) are appropriate and after the three (3) concurring board members have signed the final decision. In the case of a Five Member System Board, the Board's decision shall be deemed final after the Arbitrator and two (2) concurring board members agree that no further Executive Board session(s) are appropriate and after the Arbitrator and the two (2) concurring board members have signed the final decision.

I. Deadlock

If a deadlock occurs in a case properly submitted to a Four Member System Board, it shall be the duty of the Board to endeavor to reach a decision. In the event that the deadlock cannot be resolved or if a majority is not reached, then the grieving party (the Association or the Company) shall have the right to appeal to the Five Member System Board of Adjustment within thirty (30) days from the date the case is declared deadlocked. Failure to give timely notice will constitute withdrawal of the grievance.

J. Rights and Privileges of the Parties

Nothing herein shall be construed to limit, restrict, or abridge the rights or privileges accorded either to the employees, the Association, or the Company, or their duly accredited representatives, under the provisions of the Railway Labor Act, as amended, and the failure to decide a dispute under the procedure established herein shall not, therefore, serve to foreclose any subsequent rights which such law may afford or which may be established by the National Mediation Board by orders issued under such law with respect to disputes which are not decided under the procedure established herein.

K. Records

Unless otherwise agreed by the parties, a transcript of the hearings will be recorded by a third-party certified court reporter. The Board shall maintain a complete record of all matters submitted to it for its consideration, and all findings made by it.

L. Expenses

1. The Association and the Company shall equally share the expenses incurred by the Arbitrator except as otherwise set forth in this section.
2. Each of the parties shall equally share the expenses incurred by the court reporter in preparing the transcript of the hearing.
3. Each of the parties shall equally share expenses incurred to secure meeting rooms to hear arbitrations at locations other than at the headquarters of the Association or the Company.
4. Each of the parties will assume the compensation, travel expense, and other expenses of the Board members selected by the respective parties. Either party causing a postponement or cancellation of any part of an arbitration session will bear all Arbitrator costs associated with

the postponement or cancellation. If the parties mutually agree to a postponement or cancellation, the costs will be split evenly between the two parties.

5. Board members who are employees of the Company shall be granted necessary leaves of absence for performance of their duties as Board members. So far as space is available, Board members who are employees of the Company shall receive free transportation over the lines of the Company from the point of duty or assignment to the point at which they must appear as Board members and return, to the extent permitted by law.

M. Expenses - Witnesses

Each of the parties will assume the compensation, travel expenses, and other expenses of the witnesses called by the respective party. So far as space is available and in accord with Company policy and/or past practice, witnesses who are employees of the Company or former employees who are grievants in the case of discharge proceedings shall receive free transportation over the lines of the Company from the point of duty or assignment to the point at which they must appear as witnesses and return, to the extent permitted by law.

N. Freedom to Discharge Duties

It is understood that each and every Board member shall be free to discharge their duty(ies) in an independent manner, without fear that their individual relations with the Company, or the employees of the Company, may be affected in any manner by any action taken by them in their capacity as a Board member.

O. Protocol for Arbitrators and System Board Members

The Association and the Company will maintain, and amend as necessary, a mutually agreed upon protocol outlining the duties and responsibilities of Arbitrators and System Board Members.

The System Board Coordinator shall ensure that the applicable protocol letter shall be sent to the Arbitrator and System Board Members once the details of each pending case have been finalized.

SECTION 24

GENERAL

A. Bulletin Board

The Company shall provide a glass covered bulletin board at each station where pilots are based for the posting of matters of Association business. Such Association bulletin boards will be of comparable size and location as Company bulletin boards. Association material posted shall bear the signature or initials of the Domicile Chairman, and shall not contain anything of a defamatory or personal nature attacking individuals or groups.

B. Personnel File

An individual electronic personnel file shall be maintained on each pilot in the employ of the Company. The electronic personnel file shall contain reports and orders. The entire contents of the personnel file shall be available for individual inspection by the pilot during regular business hours, under the supervision of a Company representative and at a mutually agreeable time. It is the Company's intent to have an electronic personnel file system that provides the ability to produce and save an electronic copy of personnel file contents onto portable electronic storage media. As such capability becomes available, a pilot may be provided a soft copy of requested personnel file contents, onto portable electronic storage media provided by the pilot. A pilot shall be advised by way of electronic notification any time a performance related entry is added or deleted.

The Company and the Association shall periodically review the level of security in place to satisfactorily maintain the integrity of the electronic personnel file system.

In accordance with Section 21.E.3, a pilot may authorize a union representative to review his/her personnel file without the employee present by submitting original written authorization from the employee to the Company.

C. Training Records

A pilot's training record is kept by the Training Department and shall be available for individual inspection by the pilot during regular business hours, under the supervision of a Company representative and at a mutually agreeable time.

D. Proficiency and Line Check Notification

The Company will post at least fourteen (14) days in advance the names of all pilots due a proficiency or a line check.

E. Copies of Agreement

The Company shall post a downloadable copy of this Agreement on the Flight Department website.

F. No pilot shall be required to pay for the use of any Company equipment required for training.

G. Abrogation of Rights

It is understood and agreed that the rights of any pilot covered by this Agreement shall not be abrogated in any way by the provisions of any other labor agreement and no such pilot shall be permitted to accrue rights in abrogation of the terms of this Agreement.

H. Air Transportation

Pilots transferring from one base to another shall be provided free transportation passes over the routes of the Company for themselves and members of their immediate family, subject to space available, to the extent permitted by law.

I. Orders to be in Writing

1. All orders to pilots involving a change in status or leave of absence shall be stated in writing, except that temporary assignment of pilots shall not be construed as requiring a written order other than the necessary flight forms.
2. All orders to pilots involving a change in status shall stipulate manner and amount of expenses, if any, in connection with such change in status.

- J.** In the event a pilot's trip originates at one terminal and terminates at another terminal at the pilot's base, said pilot shall be furnished transportation one way between one terminal and the other at the pilot's option.

K. Policies and Procedures

It is the Company's current practice to place its Policies and Procedures on JetNet. The Company will use its best efforts to communicate any changes to its Policies and Procedures specific to Pilots via the Flight Department website (AAPilots.com). As an accommodation, the Company will endeavor to provide electronic notification via email to APA Legal whenever any new or revised rule or policy impacting pilots is posted on JetNet and/or AAPilots.com.

L. No Discrimination

The Company and the Association agree to make it a matter of record in this Agreement that in accordance with the established policy of the Company and the Association, the provisions of this Agreement will apply equally to all pilots hereunder, regardless of color, race, sex, creed or national origin.

M. Electronic Deposit Of Payroll Checks

To the extent permitted by law, the Company shall provide each pilot the option of having pay checks electronically deposited to the pilot's account on the same dates on which pilot payroll checks are issued.

N. Professional Flying Service

This Agreement contemplates that pilots shall devote their entire professional flying service to the Company, except that nothing in this Agreement shall be construed to prevent any pilot from affiliating with the military service of the United States.

O. Uniforms

1. The Company may make reasonable changes to the pilots' uniform and appearance standards after giving every consideration to the recommendations of the Association.
2. Six (6) months notice shall be given of any required uniform change and an additional six (6) months to accomplish the changeover.
3. The Company will provide, at no cost to the pilot, the below listed items for all new-hire pilots.
 - a. One jacket and two pairs of trousers
 - b. One hat with emblem
 - c. One tie
 - d. Six (6) shirts
 - e. One set of epaulets
 - f. One overcoat
 - g. One set of wings

4. If the Company initiates a change in the style or color in any, or all, of the required uniform components, the Company shall make the initial purchase of such modified component(s) for each Pilot.
5. On an ongoing basis, the Company shall provide the tie, epaulets, braiding, emblem, wings and any other Company emblems as may be reasonably needed.
6. The Company shall provide a Captain's hat, if a required wear item by the Company, to each pilot upon initial upgrade to Captain.

P. Crew Base Support

1. Primary Domicile Operations areas require all items listed below, as well as Wi-Fi access and dedicated quiet room / rest room facilities.
2. The Company shall provide appropriate and suitable facilities, equipment and administrative support at each satellite crew base, including the following:
 - a. Tablet computer device replacements and equipment support will be the responsibility of the domicile Flight Administration Department.
 - b. Furnished crew lounge, including TV. All items and operations areas to be kept clean and in good repair. Additionally, the Company shall provide adequate seating for pilots so long as the expense incurred is not unreasonable.
 - c. Restrooms, drinking water and vending machines.
 - d. Crew mailboxes.
 - e. Adequate kit bag (as applicable) and luggage storage in compliance with TSA security requirements.
 - f. Access to Company mail and any revisions to required paper manuals and checklists.
 - g. Convenient and priority access to equipment necessary for flight planning and administration, such as, but not limited to, Company telephones, computers and printers.
 - h. Equipment and facilities for viewing Company programs.
 - i. Company and Union Bulletin Boards.
 - j. Where the Company can obtain the right to provide the locks to operations areas and jet bridges, etc., the Company will furnish keys and/or combinations to crewmembers, where applicable.
 - k. Crewmembers will have parking available with transportation, if required, from parking to the AA facility. By mutual agreement between the Company and the Association, contract parking or parking in a designated airport pay lot will be authorized and reimbursement will be provided by the Company.
 - l. Base Chief Pilots will make themselves available for an in-person walk-around with an Association representative upon request to ensure operations areas meet the standards of this letter.
3. Within the physical limitations of the facility, American Airlines will make every reasonable effort to complete these requirements, or will provide an agreed upon completion date, prior to the first operational date of a satellite crew base at that location.
4. Prior to the first operational date of a satellite crew base, representatives of American Airlines and the Allied Pilots Association shall jointly inspect the facility to judge satisfactory compliance with the foregoing provisions.

Q. Life Insurance Advance

After a pilot's death, and upon request, the Company will promptly provide a \$10,000 advance of the Company Provided Life Insurance Benefit to the pilot's beneficiary of record.

SECTION 25

AGENCY SHOP AND DUES CHECKOFF

A. Requirements

Each pilot of the Company covered by this Agreement will be required, as a condition of employment, beginning sixty (60) days after the effective date of this Agreement, or sixty (60) days after the completion of his or her probationary period, whichever will last occur, to either (1) be, or become a member of the Association, or (2) to pay to the Association a monthly service charge for the administration of this Agreement and representation of the pilot. Such monthly service charge will be an amount allowed by law.

B. Exceptions

This Section will not apply to any employee covered by this Agreement to whom membership in the Association is not available upon the same terms and conditions as are generally applicable to any other member, or to any pilot to whom membership in the Association was denied or terminated for any reason other than the failure of the pilot to pay initiation (or reinstatement) fees, dues and assessments uniformly required by the Association. Nothing in this Section will require the payment of any initiation fee by any pilot not required to make such a payment pursuant to the Association's Constitution and Bylaws.

C. Notice of Delinquent Payments

1. If any pilot of the Company covered by this Agreement becomes delinquent in the payment of his or her dues, assessments or service charge, the Association shall notify such employee by Certified Mail, Return Receipt Requested, copy to the Vice President of Flight Operations of the Company, or his designee, that the pilot is delinquent in the payment of such dues or service charge as specified in paragraph A., above. Such letter will notify the pilot of the following:
 - a. the total amount of money due;
 - b. the period for which he or she is delinquent;
 - c. that he or she is subject to discharge as a pilot of the Company; and
 - d. that he or she must remit the required payment within a period of fifteen (15) days or be discharged.
2. The notice of delinquency required under this paragraph will be deemed to be received by the pilot, whether or not it is personally received by him or her, when mailed by the Treasurer of the Association by Certified Mail, Return Receipt Requested, postage prepaid to the pilot's last known address, or to any other address which has been designated by the pilot.
3. Every pilot covered by this Agreement shall notify the Association's Secretary Treasurer of every change in his or her home address, or of an address where the notice required by this paragraph can be sent and received by the pilot, if the pilot's home address is at any time unacceptable for this purpose.

D. Notice of Discharge From the Company

If, upon the expiration of the fifteen (15) day period, the pilot still remains delinquent, the Association will certify in writing to the Vice President of Flight Operations, copy to the pilot, both by Certified Mail, Return Receipt Requested, that the pilot has failed to remit payment within the grace period allowed and is to be discharged. The Vice President of Flight Operations will then take the steps necessary to discharge such pilot from the service of the Company.

E. Protests and Appeals

A protest by a pilot who is to be discharged as a result of an interpretation or application of the provisions of this Section shall be subject to the following procedures:

1. A pilot who believes that the provisions of this Section have not been properly interpreted or applied as they pertain to him or her, may submit a request for review in writing within ten (10)

days from the date of receipt of the notification by the Vice President of Flight Operations that is set forth in paragraph [D](#). The request must be sent by Certified Mail, Return Receipt Requested, to the Vice President of Flight Operations, or his designee, who will review the protest and render his decision in writing not later than ten (10) days following receipt of the protest.

2. The Vice President of Flight Operations, or his designee, shall forward his decision to the pilot, with a copy to the Association, both by Certified Mail, Return Receipt Requested. This decision shall be final and binding on all interested parties unless appealed pursuant to the following provisions.
3. If the decision is not satisfactory to either the pilot or the Association, then either may appeal within ten (10) days from the receipt of the decision, by filing a notice of appeal sent to the other party and to the Company, by Certified Mail, Return Receipt Requested.
4. The appeal shall go directly to a neutral referee who will be agreed upon by the pilot and the Association within ten (10) days after receipt of the notice of appeal. If the parties cannot agree on a neutral referee, a referee will be chosen from the panel supplied by the National Mediation Board. The alternate strike method shall be used to select a neutral referee with the pilot 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.
5. The hearing before the neutral referee will occur as early as practicable, and the decision of the neutral referee will be requested 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 of such neutral referee will be borne equally by the pilot and the Association.

F. Appeal Period

During the period a protest is being handled under the provisions of paragraph [E](#)., and until a final award by the Vice President of Flight Operations, his designee or the neutral referee, the pilot will not be discharged from the Company nor lose any seniority rights.

G. Discharge

1. A pilot discharged by the Company under the provisions of this Section shall be deemed to have been "discharged for cause" within the meaning of the terms and provisions of this Agreement and the provisions of [Sections 21](#) through [23](#) shall not apply.
2. It is agreed that the Company will not be liable for any time or wage claims of any pilot discharged by the Company pursuant to a written order by an authorized Association representative under the terms of this Section.
3. The Association agrees to indemnify and hold the Company harmless against any suits, claims, and or liabilities that arise out of compliance with this [Section 25](#) by the Company pursuant to a written request from an authorized Association representative.

H. Calculation Of Payments

1. The Association shall treat members and nonmembers alike in establishing the due date of payments and in determining whether a pilot's account is delinquent.
2. The Company shall provide the Association with a listing of all pilot's annual W-2 Income for the prior year for the purpose of determining if proper dues have been or are being collected.

I. Dues Assignment and Authorization

1. During the life of this Agreement, the Company agrees to deduct from the pay of each pilot covered by this Agreement and remit to the Association the membership dues and assessments uniformly required by the Association as a condition of acquiring or retaining membership, and in accordance with the provisions of the Railway Labor Act, or a service charge provided such pilot voluntarily executes the following agreed upon form. This form,

"Assignment and Authorization for Payment of Association Dues or Service Charge," will be prepared and furnished by the Allied Pilots Association.

2. When a pilot properly executes such Dues or Service Charge Form, the Treasurer of the Association shall forward an original copy to the Company Vice President of Flight Operations. A Dues or Service Charge Form that is incomplete or improperly executed will be returned to the Treasurer. Any notice of revocation as provided for in this Agreement or pursuant to the Railway Labor Act shall be in writing, signed by the pilot and delivered by Certified Mail, Return Receipt Requested, and addressed to the Company Vice President of Flight Operations, with a copy to the Association. The Dues or Service Charge Forms and notices received by the Company shall be date stamped upon receipt.
3. When a Dues or Service Charge Form is received by the Company Vice President of Flight Operations, on or before the first day of the month, deductions shall commence with the second payday of the month following, and will continue thereafter until revoked or canceled as provided in this Section. The Company shall remit to the Association a check in payment of all dues, service charges and assessments collected on a given payday, on or as soon after the payday as possible. These remittances will be subject to normal accounting practice with respect to adjustments necessary because of the methods involved in the deduction procedure. The Company remittance of Association membership dues, service charges and assessments to the Allied Pilots Association shall be accompanied by a list showing names, payroll numbers and amounts deducted for pilots for whom deductions have been made in that particular period.
4. No deductions of Association dues, service charges or assessments will be made from the wages of any pilot who has transferred to a job not covered by this Agreement, who is on furlough, or who is on leave without pay. Upon return to work, as a pilot covered by this Agreement, deductions will be automatically resumed.
A pilot who has executed a Dues or Service Charge Form and who resigns or is otherwise terminated from the Company will be deemed to have automatically revoked his assignment, and, if he is reemployed, will require execution and receipt of a new Dues or Service Charge Form.
5. Collections of any back dues, service charge or assessments owed at the time of starting deductions for any pilot and collection of dues missed because the pilot's earnings were not sufficient to cover the payment for a particular pay period will be the responsibility of the Association and will not be the subject of payroll deductions.
6. Deductions of dues, service charges or assessments will be made monthly provided there is a balance in the paycheck sufficient to cover the amount after all other deductions authorized by the pilot or required by law have been satisfied. In the event of termination of employment, the obligation of the Company to collect these monies will not extend beyond the monthly period in which his last day of work occurs.

**ASSIGNMENT AND AUTHORIZATION FOR
PAYMENT OF
ASSOCIATION SERVICE CHARGE AND DUES**

TO: AMERICAN AIRLINES

I, _____, hereby authorize and direct American
(Print Initials and Last Name)

Airlines to deduct from my pay such monthly dues and assessments as are now or may hereafter be established in accordance with the Constitution and Bylaws of the Association, or a service charge in an amount equal to such dues for remittance to the Allied Pilots Association.

I agree that this authorization shall be irrevocable for one year from the date of that I sign this authorization or until termination of the check-off agreement between American Airlines and the Association, whichever occurs sooner. If the check-off agreement is terminated, this authorization will be automatically terminated. In the absence of a termination of the check-off agreement, this authorization may be revoked effective as of any anniversary date of the signing hereof by written notice given by me to American Airlines and the Association by Certified Mail, Return Receipt Requested, during the ten (10) days immediately preceding any such anniversary.

Signature of Pilot _____ Date _____

Address of Pilot _____

Employee Number _____ Domicile _____

SECTION 26

AMENDMENTS TO AGREEMENT, EFFECT ON PRIOR AGREEMENTS, AND DURATION

A. Amendments to Agreement

Either party hereto may at any time propose, in writing, to the other party any amendment which it may desire to make to this Agreement, and if such amendment is agreed to by both parties hereto, such amendment shall be stated, in writing, signed by both parties and the amendment shall then be deemed to be incorporated in and shall become a part of this Agreement.

B. Effect on Prior Agreements

This Agreement, including the Supplemental Agreements and Letters attached hereto, shall supersede and take precedence over all Agreements, Supplemental Agreements, Amendments, Letters of Understanding and other documents concerning the same subjects executed between the Company and the collective bargaining representative of the pilots in the service of American Airlines, Inc. prior to the signing of this Agreement. All rights and obligations, monetary or otherwise, which may have accrued because of services rendered prior to the effective date of this Agreement shall be satisfied or discharged.

C. Duration

This Agreement shall become effective on January 30, 2015, except as otherwise stated herein, and shall continue in full force and effect until January 1, 2020, and shall renew itself without change until each succeeding January 1 thereafter, unless written notice of intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party hereto at least thirty (30) days prior to January 1, 2020, or January 1 of any subsequent year.

D. Early Opener

If written notice is provided by either party at least thirty (30) days prior to January 1, 2019, the parties agree to commence negotiations in January 2019, in accordance with Section 6, Title I, of the Railway Labor Act, as amended.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this the 30th day of January, 2015.

WITNESS:

FOR THE AIR LINE PILOTS
IN SERVICE OF
AMERICAN AIRLINES, INC.
AS REPRESENTED BY
THE ALLIED PILOTS ASSOCIATION

FOR AMERICAN AIRLINES, INC.

/signed/ _____
Captain Keith Wilson
President

/signed/ _____
Paul Jones
Senior Vice President & General Counsel

/signed/_____
Norman G. Miller
Negotiating Committee Chairman

/signed/_____
Beth Holdren
Managing Director Labor Relations, Flight

/signed/_____
Charles Hairston
Director, Pilot Contract Negotiations

/signed/_____
Todd Jewett
Senior Manager Labor Relations, Flight

/signed/_____
David C. Brown
Negotiating Committee Member

/signed/_____
Keith Austin
Manager, Labor Relations, Flight

/signed/_____
Dean Colello
Negotiating Committee Member

/signed/_____
James Eaton
Senior Manager - Pilot Negotiations

/signed/_____
Carrie Giles
Negotiating Committee Member

/signed/_____
Lyle Hogg
Vice President, Flight Operations, US Airways Inc.

/signed/_____
Ken Holmes
Negotiating Committee Member

/signed/_____
Brian Smith
Negotiating Committee Member

/signed/_____
Jeff Thurstin
Negotiating Committee Member

SUPPLEMENT A

INTENTIONALLY LEFT BLANK

SUPPLEMENT B

INTENTIONALLY LEFT BLANK

SUPPLEMENT C

AGREEMENT
Between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
ALLIED PILOTS ASSOCIATION

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC. ("American" or the "Company") and the AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC., as represented by the ALLIED PILOTS ASSOCIATION ("APA" or the "Association").

WHEREAS, the Company filed Chapter 11 proceedings under the United States Bankruptcy code in the Southern District of New York on November 29, 2011, and

WHEREAS, the Court subsequently approved the Company's request to abrogate the Collective Bargaining Agreement then in existence between American and the APA on September 5, 2012, and

WHEREAS, part of that abrogated Collective Bargaining Agreement was Supplement CC, a provision governing the seniority integration of the TWA Pilots and AA Pilots, and certain exceptions to the Agreement and certain fences and bidding rights for the TWA Pilots and AA Pilots, and

WHEREAS, the Company and the Association entered into a new Collective Bargaining Agreement ("CBA") which was ratified by the membership and became effective on January 1, 2013, and

WHEREAS, that CBA includes a provision known as LOA 12-05 which establishes a dispute resolution procedure to determine what alternative contractual rights should be provided to TWA Pilots as a result of the termination of Supplement CC, and the potential closing of the STL pilot base, and

WHEREAS, that dispute resolution procedure is a final and binding interest arbitration pursuant to Section 7 of the Railway Labor Act, and WHEREAS, the Award of the interest arbitration panel (the "Board") was issued on July 22, 2013 providing for certain alternative contractual rights for the TWA Pilots,

WHEREAS, LOA 12-05 and the Award provide for the parties to enter implementing provisions to be made part of the CBA,

NOW, THEREFORE, the parties hereby agree to the following terms, provided that the provisions of the CBA shall apply except as modified herein, and in the event of a conflict, the provisions herein shall apply:

A. Definitions

1. For purposes of this Supplement, the terms "American" and "the Company" mean American Airlines, Inc. or its successor, including as provided in the Memorandum of Understanding among American Airlines, US Airways, APA, and USAPA.
2. For purposes of this Supplement, the term "TWA Pilot" means any American Airlines pilot on the System Seniority List who was hired by TWA with a date-of-hire on or before April 10,

2001, who had not left the employ of TWA prior to April 10, 2001, and who still retains seniority with the Company on the effective date of this Supplement.

3. For purposes of this Supplement, the term "AA Pilot" means any American Airlines pilot on the System Seniority List who was hired by American with a date-of-hire on or before April 10, 2001, who had not left the employ of American prior to April 10, 2001, and who still retains seniority with the Company on the effective date of this Supplement.
4. The "effective date" of this Supplement shall be the first day of the contractual month after the date the language of this Supplement is approved by the Board under LOA 12-05.
5. For purposes of this Supplement, the term "CBA" means the Agreement between American and APA, effective January 1, 2013, as amended, including all Supplements, Appendices and Letters of Agreement.
6. For purposes of this Supplement, the term "small wide-body aircraft (SWB)" means an Equipment Group III aircraft operated by the Company, and a "protected" SWB position means a position on a B767-200, B767-300, or B-757 designated for priority award to a TWA Pilot.
7. For purposes of this Supplement, the term "narrow-body aircraft (NB)" means an Equipment Group II aircraft operated by the Company, and a "protected" NB position means a position on a MD-80, (or Airbus 319/320/321 as provided for in Paragraph C.5 or 6), designated for priority award to a TWA Pilot.
8. For purposes of this Supplement, the term "large wide-body aircraft (LWB)" means an Equipment Group IV or Group V aircraft operated by the Company.
9. For purposes of this Supplement, a TWA protected Captain position means one of 260 (or as adjusted by the provisions of Paragraphs C.6.a., D.4.a, F.2, or F.3) narrowbody Captain positions, or one of the 86 small widebody Captain positions designated by the Company as a protected position and subsequently awarded and occupied by a TWA Pilot using his/her system seniority in accordance with Paragraph B. or Paragraph C. of this Supplement.
10. For purposes of this Supplement, a First Officer position "protected" for the TWA Pilots means one of the First Officer positions, on narrowbody or small widebody aircraft designated by the Company as a protected position in accordance with Paragraph B. or Paragraph C. of this Supplement. The number of such First Officer positions shall be equal to the number of protected narrowbody and small widebody Captain positions minus the number of large wide body First Officer positions occupied by TWA Pilots, as provided in Paragraph D.
11. For purposes of this Supplement, "counted position" means a non protected Group II through V Captain position, or a Group IV or V FO position, awarded by the exercise of system seniority to a TWA Pilot (and in the case of the LWB CA or FO position, awarded to a TWA Pilot senior to B.D. White) without any preference under this Supplement.
12. For purposes of this Supplement, the terms "STL" and "SLT" are interchangeable. Except as otherwise may be provided in this Supplement, the parties intend that terms be defined in accordance with their meaning under the CBA.

B. Transition Implementation Provisions

1. This Paragraph B addresses the process for reducing the size of the STL base and the implementation of protected positions for TWA Pilots at locations other than STL.
2. The Company shall have an obligation to establish, and fill through vacancy bidding, protected NB and SWB Captain and First Officer positions, in the number and on the specific aircraft types provided by the Award and this Supplement that are designated protected for award to TWA Pilots. The number of protected positions shall continue for the duration of this Supplement, provided that the number of positions protected for bid by TWA Pilots may subsequently be reduced according to the terms of the Award and this Supplement, and

provided further, that protected positions not bid by TWA Pilots may be filled by other pilots on the System Seniority List in accordance with the CBA.

3. The Company in its discretion will determine, based on available information and schedules, the number of positions to remain based in STL, if any. Any flying allocated to STL on Group II or Group III aircraft while these protections remain in effect will be protected for vacancy bid by TWA Pilots and, when filled by TWA Pilots, will be counted toward the number of positions protected to TWA Pilots.
4. The Company in its discretion will also determine, based on available information and schedules, the crew bases to which the CA and FO positions protected for bid by the TWA Pilots will be assigned, and the number of protected positions to be assigned to each base.
5. Prior to implementation through displacement and vacancy bids, the Company will inform the airline's pilots and the Association of the anticipated distribution of positions protected for bid by TWA Pilots. The information provided will also be available electronically and will include, at a minimum, base, category, and equipment type. Based on that projected distribution, the TWA Pilots will have an opportunity to bid, using system seniority:
 - a. to remain in the STL base, for the number of positions anticipated for a reduced base or Home Base or
 - b. to participate in the vacancy run process to be awarded one of the protected positions at a different base,
 - c. to bid using system seniority to a position not designated as a protected vacancy. Pilots awarded positions to vacancies that are not designated as "protected" shall be counted as follows:
 - (1) Pilots awarded a Group II CA position will be counted toward the 260 NB CA protected positions.
 - (2) Pilots awarded a Group III CA position will be counted toward the 86 SWB CA protected positions.
 - (3) TWA Pilots senior to B.D. White awarded a Group IV or V FO position will be counted toward the 260 NB CA protected positions.
6. Except for the initial implementation of the TWA Pilot protected positions at STL with the reduction at that base, no AA Pilot will be displaced from a base or bid status to accommodate a TWA Pilot moving to a new protected position in a base.
7. The Company will consider all pilots currently based in SLT, who are changing bid status from SLT as a result of the implementation of Paragraph B of this Supplement, as qualified for moving expense provisions of Section 17.S.2 and Section 8 of the CBA. Pilots who complete a Company paid move under this paragraph will retain reinstatement rights to SLT and will not be subject to a lock in period. Furthermore, the affected pilots will have a period of one year, from the effective date of their non-STL bid status, to complete the Company paid move.
8. All pilots who leave a STL bid status, whether through preference or displacement award, will be provided a reinstatement right to their previous STL category status. STL pilots will also be provided a reinstatement right to the STL MD80 CA and FO bid statuses. Furthermore, TWA Pilots with reinstatement rights will have preference to vacancies in STL over other pilots on the system seniority list for Group II and III aircraft.
9. Other than at STL, pilots will utilize their system seniority for all contractual provisions, including monthly schedule bidding, pick-up, TTOT/TTS and vacation bidding purposes. At STL, provided STL Group II or Group III aircraft flying remains protected for vacancy bid pursuant to the provisions of this Supplement, any other pilot holding such a position will bid for monthly line schedules in seniority order, but subordinate to all TWA Pilots in the same bid status.
10. Nothing herein shall prevent the Company from using a phased process to appropriately size the STL base, transition STL based aircraft to other locations, or to designate the locations and number of the protected positions elsewhere in the system. The Company may also implement these provisions by processing STL as a base closing for bidding purposes, or by performing a "Master Shuffle" or similar approach that allows all TWA Pilots to bid their

preferences followed by a phased implementation. As a part of any "Master Shuffle" the Company will provide all TWA Pilots an opportunity to participate in a "trial run" in advance of the actual Master Shuffle in order to give those pilots a forecast of the "Master Shuffle" results.

While the Company anticipates a transition to a reduced STL base or Home Base, there is no assurance that any pilot positions will remain based in STL for the longer term.

C. Filling of Future Vacancies in Protected Positions

1. This Paragraph C addresses the process for maintaining the required number of TWA protected positions after the transition of aircraft and pilots from STL to other bases and for the continued duration of this Supplement.
2. The Company shall have a continuing obligation to maintain, establish and fill through vacancy bidding, protected NB and SWB Captain and First Officer positions, in the number and on the specific aircraft types provided by the Award and this Supplement.
3. In the event of
 - a. a future vacancy in a protected position,
 - b. the Company continues to designate that position as protected, consistent with the terms of the Award, this Supplement, and the CBA, and
 - c. the number of protected and counted positions does not exceed the guaranteed number of positions for the relevant fence, thenTWA Pilots will have priority to be awarded such a protected position using system seniority.
4. The Company shall determine the number, location, and aircraft type of such protected positions, consistent with the terms of the Award, this Supplement, and the CBA prior to filling any vacancy.
5. If, because of MD80 aircraft retirements, there are insufficient positions available to maintain the necessary number of protected positions on the MD80, the Company shall provide a sufficient number of Airbus Group II domestic CA positions to meet the necessary number of protected positions.
 - a. In order to provide for an efficient training and operational transition, the Company may transition protected TWA Pilot positions from the MD-80 to Airbus Group II aircraft at the time that the MD-80 fleet size is forecast to be 120% (a 20% buffer) of that necessary to provide the required number of MD-80 protected CA positions.
6. If insufficient SWB domestic flying is available to meet the necessary number of protected SWB CA, the Company shall provide the TWA Pilot(s) with their choice of an International SWB protected position or a NB CA protected position. There need not be a vacancy available in either of those offered protected positions for a TWA Pilot to be awarded such. The choice of the affected TWA Pilot(s) will be made via the provisions of Section 17 of the CBA.
 - a. In the event a pilot elects the NB CA position, the SWB CA guarantee will be reduced accordingly and the NB CA guarantee will be increased accordingly, such that the total of 346 combined CA positions remains constant.
7. Over time, after all TWA Pilots have been offered a protected pilot position, the number of available TWA Pilots will become insufficient to fill all of the FO positions protected for TWA Pilots – both in the NB and SWB bid statuses. The required number of TWA protected FO positions offered will not be reduced. Any unfilled protected positions will be available to all pilots and filled via the provisions of Section 17 of the CBA.
8. Any Group I flying assigned to STL will be filled in accordance with the CBA. There shall be no preference for TWA Pilots for such flying. Group I CA positions will not be counted toward

the protected CA positions, and the provisions of B.9 with respect to monthly bidding at STL shall not apply.

9. If the Company determines to continue STL as a smaller domicile or a Home Base, the relevant terms of the CBA will apply to that operation, except in so far as provided in Paragraph B.9. above for bidding at STL.
10. Nothing in this Supplement shall preclude a TWA Pilot from exercising his or her system seniority to bid for and be awarded any vacancy if eligible under the CBA.

D. Counting of Protected Positions

1. This Paragraph D sets forth the counting methodology with respect to protected positions that shall apply for all purposes under this Supplement, except as superseded by Paragraph B.
2. Any TWA Pilot holding a
 - a. CA position on a Group II aircraft, or
 - b. a FO position on Group IV or V aircraft, provided that the TWA Pilot is senior to AA Pilot B.D. White, DOH 4/9/01 (or in the event that B.D. White ceases to be on the System Seniority List, the remaining AA Pilot immediately senior to B. D. White)

while the NB protected position obligation remains in effect, will count toward the required number of narrowbody protected CA positions, regardless of whether the position was obtained by virtue of bidding for a protected position or through the use of system seniority in a vacancy bid.

3. Initially, the Company will establish the required number of protected NB First Officer positions in the same bases and numbers of protected NB CA positions.
4. Any TWA Pilot holding a CA position on a 767-200, 767-300, or 757, while the SWB protected position obligation remains in effect, will count toward the required number of protected SWB CA positions, regardless of whether the position was obtained by virtue of bidding for a protected position or through the use of system seniority in a vacancy bid.
 - a. In the event that there are insufficient domestic SWB CA positions to fulfill the required number of protected positions, the protected SWB CA(s) will be given a choice of either an international SWB CA position(s) designated by the Company, (to the degree such a bid status exists), or a NB CA protected position(s). The choice will be effected using the system vacancy process. In the event that he/she elects NB CA, the required number of NB CA protected positions will be increased, and the required number of SWB protected CA positions will be decremented accordingly. No current NB CA will be displaced as a result of this election.
5. Initially, the Company will establish the required number of protected SWB First Officer positions in the same bases and numbers of protected SWB CA positions.
6. TWA Pilot holding a protected CA position who exercises system seniority to an unprotected FO position, on other than a Group IV or V aircraft for a TWA Pilots senior to B.D. White, will no longer count toward satisfying the number of protected CA positions.
7. In the event that the actual number of counted protected positions exceeds the guaranteed number, no displacement will be automatically effected to bring the number back to the guaranteed number of protected positions. However, the pilots in a protected bid position, where the actual number of counted protected positions exceeds the guaranteed number, are subject to the normal displacement provisions of Section 17 of the CBA, but only to the extent that the displacement(s) brings the number back to the guaranteed number of protected positions. Attrition in the protected positions, where the actual number of counted protected positions exceeds the guaranteed number, will not result in vacancies being offered exclusively to TWA Pilots until the actual number of protected positions is less than the guaranteed number of protected positions.

TWA Pilot Counted Positions Applicability Chart		
TWA Pilot bid status	NB CA	SWB CA
CA Group I aircraft		
CA S80	✓	
CA 737	✓	
CA 320	✓	
CA 767		✓
CA Group IV aircraft		✓
CA Group V aircraft		✓
FO Group IV aircraft	✓	
FO Group V aircraft	✓	

E. Duration

1. The alternative protections awarded as a result of the LOA 12-05 Arbitration shall continue in effect for the same period as the current AA/APA agreement. The "current AA-APA agreement" includes the Merger Transition Agreement (MTA) and the Joint Collective Bargaining Agreement (JCBA) as specified in the Memorandum of Understanding Regarding Contingent Collective Bargaining Agreement ("MOU").
2. This Supplement may not be amended prior to January 1, 2019, and may be changed thereafter in accord with the procedures for changing the terms of the AA-APA Agreement as set forth in that Agreement and the Railway Labor Act.
3. All guarantees and preferences related to SWB positions will end as of the date Morgan Fischer, DOH 9/28/90 (or, in the event that Morgan Fischer ceases to be on the System Seniority List, the remaining TWA Pilot immediately senior to Morgan Fischer) has sufficient seniority to hold a four part bid status as CA on a Group III aircraft anywhere in the AA system.
4. All guarantees and preferences related to the NB CA positions (MD-80 or domestic Airbus Group II aircraft) will end as of the date that Magnus Alehult, DOH 7/17/97 (or, in the event that Magnus Alehult ceases to be on the System Seniority List, the remaining TWA Pilot immediately senior to Magnus Alehult) has sufficient seniority to hold a four part bid status as CA on any aircraft.
5. In the event that the guarantees related to the NB CA positions terminate under Paragraph 4 above, while the protected positions related to SWB CA remain in effect, the total number of remaining protected CA positions shall revert to 86. In this event the senior most 86 TWA Pilots holding SWB CA, NB CA, and/or LWB FO positions shall be those pilots who count towards the remaining 86 protected positions. All guarantees and preferences related to these remaining 86 protected CA positions will end as of the date Morgan Fischer (described in E.3 above) has sufficient seniority to hold a bid position held by any the 86 pilots.

F. Other Considerations

1. There will be no system flush following the date(s) on which the guarantees and preferences provided for in this Supplement end. All vacancies will be filled thereafter in accord with the procedures contained in the CBA.

2. In the event that MD80 aircraft are retired without sufficient replacement Airbus Group II domestic aircraft to support the required number of protected NB CA positions, and there is a reduction in force of AA pilots in CA positions on Group II aircraft from that which existed on the Effective Date, there will be made, on a proportionate basis, a reduction in the number of protected NB CA positions for TWA Pilots.

In the event that additional Group II CA positions are created thereafter during the life of the guarantees and preferences directed by the Award and outlined in this Supplement, then until the required number of protected NB CA positions is reached, any new CA positions in Group II aircraft will also be awarded on a proportionate basis between TWA and AA pilots.

All other provisions of the CBA regarding reductions in force will remain applicable.

3. In the event that B757/767 as well as MD80 aircraft are retired without sufficient replacement Airbus Group II domestic aircraft to support the required number of protected SWB CA positions, and there is a reduction in force of AA pilots in CA positions on Group III aircraft from that which existed on the Effective Date, there will be made, on a proportionate basis, a reduction in the number of protected SWB CA positions for TWA Pilots.

In the event that additional SWB CA positions are created thereafter during the life of the guarantees and preferences directed by the Award and outlined in this Supplement, then until the required number of protected SWB CA positions is reached, any new SWB CA positions in eligible aircraft will also be awarded on a proportionate basis between TWA and AA pilots.

All other provisions of the CBA regarding reductions in force will remain applicable.

4. The Company shall be free to utilize limited pay protection for transitional situations, in accordance with the provisions of the CBA.

G. Force Majeure

1. If the Company is unable to satisfy the protected positions due to conditions beyond the Company's control, then the Company will be exempted from the requirement to provide the number of protected and guaranteed positions for the period of time necessary to rectify the situation, if the Company is taking all practicable steps to restore operations, including by repairing or replacing the affected aircraft.
2. "Conditions beyond the Company's control" shall include, but not limited to, the following:
 - a. an act of God,
 - b. a strike by any other Company employee group or by the employees of Commuter Air Carrier, operating pursuant to Section 1.D. of the CBA.
 - c. national emergency,
 - d. involuntary revocation of the Company's operating certificate(s),
 - e. grounding of a substantial number of the Company's aircraft,
 - f. 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,
 - g. the unavailability of aircraft scheduled for delivery.

H. American Airlines / US Airways Merger

1. The Memorandum of Understanding among American Airlines, US Airways, APA, and USAPA provides at Paragraph 10.i that: "Nothing in this paragraph 10 shall modify the decision of the arbitration panel in Letter of Agreement 12-05 of the 2013 [2012 sic] CBA." Accordingly, any subsequent agreement or arbitration with respect to integration of seniority or a collective bargaining agreement covering all pilots at any merged operation will not serve to modify the alternative guarantees and preferences awarded in this matter by the Panel.

I. Reporting

1. During the period this Supplement is in effect, the Company will prepare a compliance summary report each month, showing TWA Pilots who represent a protected and/or counted

pilot bid position in accordance with this Supplement. The report will be made available electronically and will identify each pilot by name, employee number, system seniority number and four-part bid status.

J. Dispute Resolution

1. Pursuant to the terms of LOA 12-05, the Board shall continue to have jurisdiction of any disputes arising under LOA 12-05 and the interim terms with respect to the STL operation that applied prior to the effective date of this Supplement. The Board shall have jurisdiction to review and approve the language of this Supplement and to determine whether such language conforms with the meaning of its Award.

All other disputes following approval of the language of this Supplement will be handled in accordance with the CBA, Sections 21, 22, and 23. If available, Richard Bloch shall sit as the neutral member of the System Board for disputes arising under this Supplement. If Richard Bloch is unable or unwilling to serve, the parties will select the first available date from either Stephen Goldberg or Ira Jaffe, the other two members of the LOA 12-05 Interest Arbitration Panel. In the event that neither of them is willing or able to serve, the arbitrator selection procedures of Section 23 of the CBA will be utilized to select an arbitrator.

SUPPLEMENT D

MTA SCOPE SUPPLEMENT

The protections in Paragraphs 1 through 15 below begin on December 9, 2013 and last until the earlier of eighteen (18) months after US Airways, Inc. ("US Airways") and American Airlines, Inc. ("American Airlines" or "American") obtain a single operating certificate, or the date on which the joint collective bargaining agreement ("JCBA") contemplated by the parties' Memorandum Of Understanding Regarding Contingent Collective Bargaining Agreement ("MOU") and an integrated seniority list are in effect.

1. American Airlines pilots and US Airways pilots will perform work in accordance with the MTA, including flying and training, and neither airline will interchange pilots between their operations. Neither American Airlines nor US Airways may utilize in its flight operations or flight training operations a pilot employed by the other airline, except: (i) for pilots hired from one airline by the other pursuant to Paragraphs 9 and 10, below; (ii) as may be needed to comply with conditions prescribed by the Federal Aviation Administration for the purpose of transition to, and eventual operation under, a single operating certificate; or (iii) to train pilots who will make up the initial cadre of check airmen for a new fleet type. APA and USAPA, as applicable, shall support the efforts of US Airways and American Airlines to obtain issuance of the single operating certificate.
2. Except for the circumstances described in Paragraph 1, above, no pilot of American Airlines or US Airways will fly as a crewmember on an aircraft in the Fleet of the other airline. The "Fleet" of each airline shall be defined to include all aircraft in the service of or stored by the airline, or on order or option by the airline, on February 13, 2013. A list of all aircraft in the respective Fleets of American and US Airways as of that date was included as Attachment A to the MOU. All orders, options, and anticipated returns set forth in the airlines' fleet plans as of February 13, 2013 were included as Attachment B to the MOU.
3. In the event that American Airlines or US Airways acquires aircraft not listed in Attachments A or B as a replacement for an existing aircraft, that aircraft shall be designated as American Airlines or US Airways based upon the aircraft being replaced. For purpose of this section, "replacement" means that the newly acquired aircraft can be matched, on a one-to-one basis, to an aircraft that has left or will leave the service of the airline within six (6) months before or after the new aircraft enters service.
4. With respect to new aircraft not listed on Attachments A or B and not assigned under Paragraph 3, above, the pilots of each airline will operate any of their respective unique aircraft types. As to all other aircraft, the following procedure will be applied: the airline will provide notice to APA and USAPA, if applicable, of its intent to acquire any such aircraft not less than 270 days prior to such aircraft entering service, and will inform the organization(s), to the extent known, of the type, model and number of such aircraft, the type of engines on them, their ETOPS capability, if any, and the extent to which such aircraft will be used as replacements for other aircraft then or previously operated. The representative(s) of the American Airlines and US Airways pilots will promptly determine which pilot group will operate such aircraft or will implement binding arbitration, if necessary, to determine the allocation of such flying; the pilot representative(s) shall notify the airlines of the results of this process no later than thirty (30) days after receiving notice from the airlines. If the airlines do not agree with the position of the labor representative(s), the dispute will be resolved pursuant to final and binding interest arbitration with a decision issued no later than 120 days prior to the date when the aircraft is scheduled to be placed in service. The standard to be applied by the arbitrator will be the fair and equitable allocation of flying between the two pilot groups giving due consideration to the airline business plans. Nothing in this Supplement will delay or prevent the planned implementation of such aircraft into revenue service.
5. The total number of aircraft block hours scheduled to be flown by mainline US Airways East pilots (excluding Group I aircraft) during any rolling 12-month look-back period shall be no less than 664,426. The total number of aircraft block hours scheduled to be flown by mainline US Airways West pilots during any rolling 12-month look-back period shall be no less than 436,850. The number of wide body positions, either maintained or pay protected, for US Airways pilots shall be no less than 291 US Airways widebody captain positions and

475 US Airways wide body first officer positions. A pay-protected pilot under this Paragraph 5 shall not be eligible for additional pay protection under MOU Paragraph 12(a). In the event a pilot is eligible for pay protection under both this Paragraph 5 and MOU Paragraph 12(a), such pilot shall be entitled to whichever pay protection produces the higher pay and shall also fulfill one of the minimum number of wide body positions required herein.

6. The total number of aircraft block hours scheduled to be flown by mainline American Airlines pilots (excluding Group I) in any rolling twelve month look back period shall be no less than 1,995,663 hours.
7. Commencing when the total number of US Airways aircraft in Equipment Group I equals 31, subsequent Group I aircraft shall be delivered on a ratio of two (2) Group I aircraft to American Airlines for every one (1) Group I aircraft to US Airways.
8. For purposes of this Supplement, block hours scheduled to be flown for a given month shall be determined by reference to an airline's flight schedule as published for sale 30 days prior to the first day of the month. US Airways shall furnish the block hour data to USAPA, if applicable, and APA no later than 30 days prior to the first day of each month.
9. American Airlines will not hire new pilots if pilots at US Airways are on furlough unless the most junior pilot on the American Airlines Pilots' System Seniority List has been offered a position at American Airlines.

Effective when the most junior pilot on the American Airlines Pilots' System Seniority List has been offered a position at American Airlines, future positions at American Airlines will be offered to furloughed US Airways pilots to the extent consistent with the terms of the April 9, 2010 Opinion and Award in FLO-0108 and September 14, 2011 Preferential Hiring Agreement entered into pursuant to that Award. Prior to making offers under this provision, US Airways, American Airlines and the pilot representative(s) shall agree to the order in which any such offers shall be made to US Airways pilots. A furloughed US Airways pilot who declines a position as an American Airlines pilot retains the right to be offered a position in a future American Airlines new-hire class and also retains the right to be recalled to, or otherwise offered a position with, US Airways.

A US Airways pilot who accepts a position at American Airlines:

- a. will be treated as junior to all pilots who are on the American Airlines Pilots' System Seniority List on December 9, 2013, but pilots on a US Airways seniority list employed by American Airlines under this provision will be ranked among themselves in the order of their acceptance of positions with American Airlines, and
 - b. will be considered an employee of American Airlines during the period prior to the expiration of the protections in Paragraphs 1-15 of this Supplement and be subject to the MTA, and
 - c. will retain, accrue and be entitled to use his/her combined longevity at both airlines for all purposes, including but not limited to, pay (excluding furlough pay, which will be calculated based on time at American Airlines only), benefits, vacation accrual, and eligibility towards retirement contributions and health and welfare participation, and
 - d. cannot return to US Airways for up to eighteen (18) months from the date of employment as a pilot for American Airlines, and
 - e. will retain his/her position on the applicable US Airways seniority list, and
 - f. will not be required to serve a probation period as a pilot for American Airlines, and
 - g. will not receive furlough pay from US Airways with respect to the period of service as a pilot for American Airlines, and
 - h. will be subject to any applicable background checks and employment requirements for American Airlines pilots returning from furlough.
10. US Airways will not hire new pilots if pilots at American Airlines are on furlough unless the most junior US Airways pilot has been offered recall or another position with US Airways and all American Airlines pilots on furlough have been offered a position at US Airways. Effective when the most junior US Airways pilot has been offered recall or another position with US Airways, future positions at US Airways will be offered to furloughed American Airlines pilots

in seniority order. A furloughed American Airlines pilot who declines a position as an US Airways pilot retains the right to be offered a position in a future US Airways new-hire class and also retains the right to be recalled to American Airlines in accordance with his/her American Airlines seniority.

An American Airlines pilot who accepts a position at US Airways:

- a. will be treated as junior to all pilots who are on the applicable US Airways seniority list on December 9, 2013, but pilots on the American Airlines Pilots' System Seniority List employed by US Airways under this provision will be ranked among themselves in seniority order, and
 - b. will be considered an employee of US Airways during the period prior to the expiration of the protections in Paragraphs 1-15 of this Supplement and be subject to the terms and conditions set forth in the MTA (as provided in Paragraphs 17-18 below), and
 - c. will retain, accrue and be entitled to use his/her combined longevity at both airlines for all purposes, including but not limited to, pay (excluding furlough pay, which will be calculated based on time at American Airlines only), benefits, vacation accrual, and eligibility towards retirement contributions and health and welfare participation, and
 - d. cannot return to American Airlines for up to eighteen (18) months from the date of employment as a pilot for US Airways, and
 - e. will retain his/her position on the American Airlines Pilots' System Seniority List, and
 - f. will not be required to serve a probation period as a pilot for US Airways, and
 - g. will not receive furlough pay from American Airlines with respect to the period of service as a pilot for US Airways, and
 - h. will be subject to any applicable background checks and employment requirements for US Airways pilots returning from furlough.
11. Neither American Airlines nor US Airways will establish TDY positions at a pilot domicile of the other airline.
 12. All Shuttle flying between DCA, LGA and BOS shall be performed by US Airways pilots.
 13. All existing flying between PHX and Hawaii shall be performed by US Airways pilots. The parties understand and agree that flights between PHX and Hawaii that are performed by US Airways pilots when the restrictions in this Paragraph 13 are in effect shall not count toward the ten (10) flights per day provision in Section 1.G.1.c. of the MTA.
 14. All Trans-Pacific (Asia) flying shall be performed by pilots on the American Airlines Pilots' System Seniority List.
 15. The provisions in Paragraphs 1-14 of this Supplement 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, the following: (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.
 16. Subject to the provisions of the MOU and Paragraphs 1-15 above, as of December 9, 2013, US Airways and American Airlines may move forward with obtaining and utilizing a single operating certificate, and otherwise combining the operations of the two carriers, except for those measures that are dependent upon implementation of an integrated seniority list.
 17. Beginning on December 9, 2013, pilots employed by US Airways shall be paid in accordance with the provisions of the MTA that are generally applicable to pilots employed by American Airlines. The eligibility of US Airways pilots for a defined contribution plan accrual shall commence on December 9, 2013, and US Airways' contribution to the retirement plan beginning on that date shall be calculated by multiplying an eligible pilot's eligible

compensation under the applicable retirement plan by the percentage contribution made by American Airlines to its pilots' defined contribution retirement plan.

18. It is the intent of the parties that, as of December 9, 2013, the terms and conditions of employment for pilots employed by American Airlines and US Airways will be set by the MTA. The parties further understand, however, that it will take some period of time for those terms to be implemented. Accordingly, except for those terms specifically identified in Paragraph 17 above, the parties agree that each term of the MTA shall be applicable to all US Airways pilots at the earliest practicable time for each such term, and such terms, when applicable, shall govern and displace any conflicting or wholly or partially inconsistent provision of the former US Airways pilot agreements or the *status quo* arising thereunder. Once the MTA has been fully implemented, it shall fully displace and render a nullity any prior collective bargaining agreements applicable to US Airways pilots and any *status quo* arising thereunder.

Except as incorporated into the MTA (including this Supplement), all provisions of the MOU shall continue in full force and effect.

SUPPLEMENT E

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SUPPLEMENT F (1)

James G. Sovich
President
Allied Pilots Association
P. O. Box 5524

Arlington, Texas 76005-5524

Dear Captain Sovich:

The Company has made and will make the following revisions to the Pilot Retirement Benefit Plan:

1. Fixed Income Benefits

For pilots retiring on or after April 1, 1977, the Fixed Income Benefit formula will be replaced by the following:

- (a) 1.25% of the pilot's final salary times years and completed months of service less one year for all years from the date of hire as a flight deck operating crewmember. Where a pilot has participated in another defined benefit plan of the Company and has a pension benefit payable from the other defined benefit plan, the years and completed months of participation under the other defined benefit plan will be excluded from service under the Pilot Retirement Benefit Plan for purposes of benefits produced by the final average salary formula.
- (b) Final average salary will be equal to one fifth (1/5) of the sum of the pilot's earnings in the sixty (60) consecutive months in the last 120 months preceding the pilot's Normal, Early or Disability Retirement Date (whichever is applicable) which produces the highest amount. For this purpose, earnings during any calendar year will be considered to be earned equally during each month in the year. Earnings received by a retiring pilot after his retirement date, such as his final month's pay or accrued vacation pay, may be used in conjunction with his earnings in the immediately preceding sixty (60) months of the calculation of his final average salary. If the retiring pilot's final months' pay exceeds a month's pay at the beginning of the sixty (60) month period, it will be included in the calculation of his final average salary in place of the month's pay at the beginning of the sixty (60) month period. If the retiring pilot received accrued vacation pay for thirty (30) days or more and such pay for thirty (30) days exceeds a month's pay at the beginning of the sixty (60) month period, the vacation pay for each thirty (30) days will be included in the calculation of his final average salary in place of a month's at the beginning of the sixty (60) month period. If the vacation pay for any remaining days under thirty (30), exceeds the pay for a comparable period of a thirty (30) day month at the beginning of the sixty (60) month period, such pay will be included in the calculation of his final average in place of the comparable period of a thirty (30) day month at the beginning of the sixty (60) month period. To the extent a retiring pilot received accrued vacation pay after his retirement, it will first be used to complete his last partial month of flying. The balance of his accrued vacation time may then be used in substitution for full or partial months of wages at the beginning of his sixty (60) month period. [See Q&A [9-1](#)]
- (c) Effective for all pilots retiring on or after April 1, 1991 a minimum annual benefit equal to the following amount will be payable if such amount is greater than the benefit produced in (a) above: \$1,500.00 times the number of years and completed months of service as an active pilot employee, less one year. Service as an active pilot employee will be calculated as Credited Service (less one year) less periods of disability and other non-active status as identified in [Paragraph 8 of Supplement F\(1\)](#).
- (d) The benefit produced in [\(a\)](#) or [\(c\)](#) above will be payable at Normal Retirement Date. If the benefit is to commence on an Early Retirement Date, it will be actuarially reduced.

2. Disability Retirement Minimum

- (a) For a pilot who accepts disability retirement on or after April 1, 1977, the provisions of the Plan will remain the same, except the average monthly salary used in the computation of the monthly benefit will be based on the higher of:
 - (i) the average monthly salary that the pilot received during the twelve (12) months prior to the exhaustion of his paid sick leave and/or vacation time, or
 - (ii) the average monthly salary during the pilot's highest paid calendar year out of his last five calendar years prior to the exhaustion of his paid sick leave and/or vacation time.
 - (b) The Fixed Income Benefit which will be payable to the pilot at Normal Retirement Date, who is on disability retirement and is still on the Pilot Seniority List as of April 1, 1977, or later, in accordance with [Supplement F](#), will be determined under [Section 1](#), above, based on his final average salary to his Disability Retirement Date and years and completed months of service, less one (1) year. Included in such service will be the period between the pilot's Disability Retirement Date and his Normal Retirement Date.
- 3. (a) Survivor benefit payable upon death of pilot who has attained at least age 50 and for whom benefit payments have not begun on an Early or Normal Retirement basis.
This benefit in the Plan is modified as follows:
 - (i) Upon the death of a pilot employee who has attained at least age 50 and for whom benefit payments have not begun on an Early or Normal Retirement basis, a survivor's benefit shall be payable to the pilot employee's legal spouse of at least one year on his date of death. In the event there is no legal spouse surviving the deceased pilot employee, the survivor's benefit shall revert to the lump sum payable from both the Fixed and Variable portions of the Plan as if death had occurred prior to age 50.
 - (ii) The survivor's benefit under the Fixed Income Benefit portion of the Plan shall equal 50% of the benefit determined under Section 1 where the final average salary is determined as of the death of the pilot and years and completed months of service less than one year. Included in such service will be the period between the pilot's date of death and his Normal Retirement Date. Such benefit shall become payable to the surviving spouse effective with the first day of the month coincident with or next following the pilot's death.
 - (iii) The survivor's benefit payable under the Variable Annuity portion of the Plan to the surviving spouse shall continue to be equal to what the pilot would have received had he retired early at death and had elected a 2/3 joint annuitant option.
- (a) Survivor benefit payable upon death of a pilot who has not attained age 50
 - (i) The Fixed Income Plan is modified to include for the pilot who is vested the qualified pre-retirement survivor annuity required by the Retirement Equity Act as an optional alternative to the current death benefit (i.e., payment of the Basic Accumulation).
 - (ii) The Variable Income Plan is modified to vest immediately the Company Units and pay a participant's entire account balance to a surviving spouse (or to an alternate beneficiary with the spouse's consent).
- 4. Effective September 1, 1979 the designated beneficiary of a pilot employee or pilot receiving a disability pension or a pilot on an unpaid sick leave of absence who dies after attaining age 50 without a surviving legal spouse of at least one year as of his date of death, shall receive, at Company expense, an amount of Term Life Insurance equal to 150% of the pilot employee's Basic Life Insurance coverage. The designated beneficiary shall be the beneficiary of record under the Pilot Retirement Plan unless the pilot employee has designated a specific beneficiary for this benefit on Form C-438. Any other agreement to the

contrary, the designated beneficiary for this benefit shall not be eligible for the Spouse's Survivor Benefit of [Supplement F](#) and the Pilot Retirement Benefit Plan.

5. Disability Retirement

- (a) An illness and/or injury which has been verified through qualified medical authority and which prevents a pilot from acting as a cockpit crewmember in the service of the Company shall constitute a medical disability and shall make such pilot eligible for benefits according to the provisions set forth in this Supplement. The benefits shall commence ninety (90) days after the onset of the disability or related disability or on the expiration of paid sick leave and/or vacation, whichever occurs later; provided that there has been and continues to be qualified medical care consistent with the nature of the illness or injury. Disability pension benefits are not payable to furloughed pilots, whether furlough date occurs prior to or during a period of disability. [See Q&A [9-7](#)]
- (b) The verification of a disability as it relates to this Supplement shall be established by the Corporate Medical Director through claim procedures set up by the Company and the Allied Pilots Association. Once established, the disability, when appropriate, may be subject to verification every ninety (90) days.
- (c) For purposes of the Supplement, a disability will cease to exist whenever health is restored so as not to prevent a pilot from acting as a cockpit crewmember in the service of the Company; whenever verification of a disability can no longer be established; or whenever appropriate medical care is wantonly disregarded. It is recognized by the Association and the Company that there shall be exclusions which are not entitled to disability benefits; these are: fear of flying syndrome, unless there is a pre-eminent psychiatric diagnosis; chemical dependency showing no progress toward recovery after two years.
- (d) A pilot shall retain and continue to accrue his seniority for the purposes of this Supplement F only for a period of five (5) years commencing at the expiration of his paid sick leave. In the event such a pilot member recovers and returns to the Company as a pilot, during the five (5) year period in which he has not lost his seniority, his monthly disability pension shall cease. He will again become a participant in the Plan for the accrual of additional Basic and Variable Annuity benefits payable at Normal Retirement Date, subject to the eligibility provisions of the Plan. In the event such a pilot member works for the Company in a capacity other than as a pilot, his pilot benefits shall not be paid while he is employed in such a capacity. However, during such period he shall be eligible to participate in the pension programs applicable to his job category.
- (e) At Normal Retirement Date such monthly disability pension shall cease. The pilot member shall then receive the monthly Basic and Variable Annuity pension (including that provided by his optional contribution still remaining in the Variable Annuity Trust) which had been accrued under the Basic Annuity portion of the Plan and contributed for under the Variable Annuity portion of the Plan up to the date of the exhaustion of his sick pay, to be payable at Normal Retirement Date.
- (f) In the event the actuarially reduced benefits for an early retirement under the Plan exceed the monthly disability pension which would otherwise be payable to such a pilot member, he may elect to receive such benefits and still be considered a disability retirement. A pilot employee who was a member of the Pilot Plan as it existed on the day before the effective date of the signing of the Agreement pertaining to current negotiations shall not lose any accrued rights as a result of these amendments.
- (g) Furthermore, effective April 1, 1973, in lieu of extending the Pilot Retirement Benefit Plan death benefit for a pilot member who dies after his 50th birthday to a pilot member who had not attained age 50, the Company, at its expense, will provide such active pilot member with an amount of Term Life Insurance equal to 150% of his Basic Life Insurance coverage under the Group Insurance Plan. Such additional coverage shall cease as of the active pilot member's 50th birthday. In the event such active pilot member becomes disabled and is placed on a sick leave of absence, and/or retires on a disability pension, the additional

coverage as well as his Basic Life Insurance coverage under the Group Insurance Plan will be continued, at Company expense, up to his 50th birthday.

Optional Life Insurance Plan may be continued by the disabled pilot member, at his expense, up to his 50th birthday. At his 50th birthday, all such coverage shall cease. The pilot member shall then be considered a retired employee for purposes of the Group Insurance Plan and will be covered under the Retired Employee Life Insurance schedule. In the event a pilot member is totally and permanently disabled in the sense that he is completely unable to perform any and every duty pertaining to any occupation or employment for remuneration or profit, his additional coverage will continue as long as he is so disabled. Unless otherwise indicated by the pilot member, the beneficiary of record under the Pilot Retirement Plan shall be the beneficiary of record for this additional coverage.

- (h) Any disputes arising as to the clinical validity of a claim or as to the continuation of disability defects, once commenced, shall be referred to a mutually agreed-to clinical source, whose findings regarding the nature and extent of the condition shall be final and binding upon the parties. The cost involved in such proceeding shall be equally shared by the Association and the Company.
- (i) Effective November 1, 1979, for a pilot diagnosed as chemically dependent on or after November 1, 1979:
 - (i) A pilot shall be entitled to a lifetime maximum of up to twenty-four (24) months of payments from the point in time he is diagnosed chemically dependent but not beyond his Normal Retirement Date.
 - (ii) The payments shall be a combination of accrued sick time and/or disability pension payments.
 - (iii) The twenty-four (24) months of payments are not necessarily consecutive. They may be broken for periods if the pilot returns to active status, or does not apply for disability pension payments. However, they are cumulative.
 - (iv) The twenty-four (24) months of payments shall be extended to pay the pilot any accrued sick time he may have remaining at the end of the twenty-four (24) months of payments.
 - (v) Any accrued vacation pay shall not be counted in the twenty- four (24) months of payments.
 - (vi) If, at the end of the twenty-four (24) months of payments, the pilot has not shown progress toward recovery as determined by the Corporate Medical Director, all disability pension payments terminate. If the pilot is showing progress toward recovery, as determined by the Corporate Medical Director, he shall continue to receive disability pension payments until he is returned to active flying status. Any disputes with a pilot's physician arising as to a pilot's recovery or showing progress toward recovery under this sub-paragraph (vi), shall be referred to a mutually agreed-to clinical source, whose findings regarding the nature and extent of the condition of the cockpit crewmember shall be final and binding upon the parties. The cost involved in such proceeding shall be equally shared by the Association and the Company.
- (j) A pilot diagnosed as chemically dependent after August 20, 1982 shall be entitled to the greater of:
 - (i) a lifetime maximum of eighteen (18) months of combined sick time and disability pension payments including not more than twelve (12) months of disability pension payments; or
 - (ii) the balance of accrued sick time payments.

The eighteen (18) months of payments under (i) above are not necessarily consecutive. They may be broken for periods when the pilot returns to active status or does not apply for disability pension payments. However, they are cumulative.

Any accrued vacation pay shall not be counted in the eighteen (18) months of payments under (i) above.

6. Variable Annuity

- (a) Effective January 1, 1973, the actuarial interest assumption shall be 6% interest per annum. Pilots retired prior to January 1, 1973 will have their variable benefits converted to the new 6% interest assumption as of January 1, 1973.
- (b) Effective January 1, 1990, Company Contributions to the Variable Income Plan of the Pilot Retirement Benefit Program will be eleven percent (11%) of compensation earned on or after January 1, 1990 for all pilot employees.

7. Maximum/Minimum Disability Retirement

- (a) Effective November 1, 1979, a pilot member of the Pilot Retirement Benefit Plan who accepts disability retirement on or after November 1, 1979, because he is medically unable to continue as a pilot, shall be eligible for a monthly disability pension equal to 55% of his average monthly salary. The maximum monthly payment shall be \$4,700.
- (b) Effective January 1, 1992, the maximum monthly payment in a. above is increased to \$6,000. Such maximum monthly payment is applicable to those currently receiving disability retirement benefits and those who qualify for such benefits in the future.

8. As provided in the Pilot Retirement Benefit Plan, on and after April 1, 1977, Credited Service shall not include any period of unpaid leave of absence or furlough after that date except for the following:

- (a) an emergency leave of absence generated by the strike of another organized group which causes the Company to suspend operation; credited service shall not be granted for a period of suspension of operations caused only by pilot employees in connection with the strike of another organized group;
- (b) a leave of absence at Company request to avoid the furlough of other pilot employees;
- (c) an approved disability whether disability benefit is paid or unpaid; or unpaid sick leave of absence which has been requested by the pilot and approved by the Corporate Medical Director;
- (d) with respect to the Spouse's Survivor Benefit, the period from the pilot employee's date of death to his Normal Retirement Date;
- (e) with respect to the Fixed Income Benefit payable at Normal Retirement Date to a pilot on disability retirement the period from the pilot's Disability Retirement Date to his Normal Retirement Date;
- (f) a leave of absence for Association business for which period the Association reimburses the Company for the cost of the Pilot Retirement Benefit Plan;
- (g) a military leave of absence after the pilot employee has become a member of the Plan.

Neither the Company nor the Association shall modify or change the above during the period of this collective bargaining agreement and the next subsequent collective bargaining agreement.

9. Effective September 1, 1979, in the computation of a pilot employee's Final Average Compensation for his highest 60 consecutive months out of his last 120 months, the period and applicable wages, if any, from items [8\(a\)](#), [8\(b\)](#) and [8\(c\)](#) above, which would normally fall in such 60 month period shall be excluded. The Final Average Compensation shall be based on wages for such reduced 60 month period, e.g., 58 months. For example, if wages for the 58 month period amounted to \$300,000, the Final Average Monthly Salary would be \$5,172.41. However, in the computation of his Fixed Income Benefit, such period shall continue to be included in his Credited Service.
10. For purposes of the Disability Retirement Benefit, in the computation of a pilot employee's average monthly compensation during either the 12 consecutive months next preceding the date of expiration of his paid sick leave, vacation, or both, or the highest calendar year out of the five consecutive years preceding the date of expiration of his paid sick leave, vacation, or both, whichever produces the highest average, the period and applicable wages, if any, from

items [8\(a\)](#), [8\(b\)](#) and [8\(c\)](#) above, which would normally fall in such 12 month period shall be excluded. The average monthly compensation shall be based on wages for such reduced 12 month period, e.g., ten months. For example, if wages for the 10 month period amounted to \$60,000, the average monthly compensation would be \$6,000. However, in the computation of his Fixed Income Benefit, such period shall continue to be included in his Credited Service.

11. Lump Sum Option under the Fixed Income Plan

For all pilots retiring after January 1, 1989, the Company will reinstate the lump sum option under the Fixed Income Plan of the Pilot Retirement Benefit program as it existed on January 1, 1989, modified only to comply with Internal Revenue Service requirements in order to maintain the continued qualification of the plan.

The above may only be changed or modified as required by the Internal Revenue Service to maintain the qualification of the Plan under the Internal Revenue Code or the Department of Labor under the Employee Retirement Income Security Act of 1974.

The Company will provide all necessary data and will cooperate fully with the Connell Company to produce pilot statements by March 31st of each year.

Very truly yours,

/signed/

J. G. Allen
Vice President
Employee Relations

Agreed:

/signed/

J. G. Sovich
President
ALLIED PILOTS ASSOCIATION

SUPPLEMENT F(2)

Captain John E. Darrah
President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, TX 76155
Dear John:

This is to inform you that the following administrative changes will be made to the Pilot Retirement Benefit Program effective as of September 1, 1979:

1. (a) In the event a pilot employee at normal retirement elects to withdraw the value of his optional contributions to the Variable Annuity Trust or elects a Lump Sum Distribution from the Variable Annuity Trust, the moneys contributed since the most recent determination of the December 31 unit value by the Plan Actuary (employee contributions in the case of any Optional Withdrawal; Company and employee contributions, if any, in the case of the Lump Sum Distribution) will be treated in the following manner:

Such contributions shall be converted into units at the last published December 31 unit value. Such units will be disbursed at the last published December 31 unit value adjusted by the Index Of Change which shall be the Index for the third month preceding Normal Retirement Date. For example, in the case of a pilot retiring April 1, 1980, the unit value published for December 31, 1978 adjusted by the Index of Change for January 31, 1980 would be used.

Optional contributions for all pilot employees shall be discontinued three (3) months before Normal Retirement Date. This procedure will be implemented for retirements on and after February 1, 1980, in order to allow for the three (3) month interval. For retirements prior to February 1, 1980, optional contributions will be discontinued for the remaining months prior to retirement commencing with November, 1979.

- (b) In the event a pilot employee elects to withdraw the value of contributions to the Variable Annuity Trust during employment or for retirements prior to February 1, 1980, the moneys contributed since the most recent determination date of a December 31 unit value by the Plan Actuary (employee contributions in the case of any optional withdrawal; Company and employee contributions, if any, in the case of a Lump Sum Distribution at early retirement) will be treated in the following manner:

Such contributions shall be converted into units at the last published December 31 unit value. Such units will be disbursed at the last published December 31 unit value adjusted by the Index of Change for the month in which such withdrawal request is received by Pension & Group Insurance Administration. For example, in the case of a pilot whose notice of withdrawal of optional contributions is received by Pension & Group Insurance Administration on March 15, 1980, the unit value published for December 31, 1978 adjusted by the Index of Change for March 31, 1980 would be used.

- (c) To avoid the problem of non-availability of a unit value for the Variable Plan during the first quarter, the unit value is to be determined as of December 31 by the Plan Actuary and used for the period March 31 to March 31. The unit value determined as of December 31, 1978 would be operative from January 1, 1979 to March 30, 1980. This unit value will be used for all annuity payments and, adjusted by the Index of Change, will also be used for optional withdrawals and lump sum distributions.
- (d) To reflect more frequently the investment performance of the Trust, variable annuity payment will change as of each April 1 and October 1, effective with the 1987 Plan year. The Plan Actuary will determine the annual audited unit value as of each December 31 which unit value will determine annuity payments for the following April 1, to September 30 period (instead of the March 31 to March 31 period under (c) above). This unit value,

adjusted by the Index of Change for the month of July (i.e., July 31 value), will determine annuity payments for the following October 1 to March 31 period.

2. For purposes of computation of final compensation only, to facilitate the determination of retirement benefits at normal retirement for a retiring pilot, wages for his last two months of flying shall be computed at an hourly rate (one-half day/one-half night) prior to May 1, 2003 and day rate effective May 1, 2003 for two and one-half hours per day based on the category and equipment determined by his trip selection award for his next to the last month of flying prior to retirement provided such pilot did not use any unscheduled vacation credit or failed to use scheduled vacation credit during his last full month and/or partial month of service. In such event, his benefit will be recalculated based upon the actual vacation schedule which will result in a delay in benefit payment. This will be implemented as soon as procedures can be established to collect the necessary data from the Payroll Department. For benefit purposes, the computation of such benefits is final and binding on the Company and pilot. The Company will contribute to the trust funds on the basis of actual wages paid. [See Q&A [9-1](#)]
3. In the case of early retirement with notice to Pension & Group Insurance Administration of less than 120 days, the rules of Item 2 above will not apply. Final Average Compensation will be determined by using actual earnings for his last two months of flying. Any distribution of units from the Variable Annuity Trust will be determined under the rules set forth in [1\(b\)](#) above, using the Index of Change for the month in which the notice of early retirement is received by Pension & Group Insurance Administration.

The above may only be changed or modified as required by the Internal Revenue Service to maintain the qualification of the Plan under the Internal Revenue Code or the Department of Labor under the Employee Retirement Income Security Act of 1974. [See Q&A [15-27](#)]

Very truly yours,

/signed/
Mark L. Burdette
Director, Employee Relations, Flight

Agreed to:

/signed/
John E. Darrah
President
Allied Pilots Association

SUPPLEMENT F(3)
February 26, 1991

Captain F. R. Vogel
President
Allied Pilots Association
P. O. Box 5524

Arlington, Texas 76005-5524
Dear Captain Vogel:

This will confirm our agreement that [Supplement F\(2\)](#) of the current American/APA Agreement will be modified for retirements on or after August 1, 1987 as follows. Such modifications will allow a pilot to defer receipt of his benefit under the Variable Annuity Trust (i.e., "B" Fund) to a later date up to age 70½.

1. Any retiring pilot may irrevocably elect to defer receipt of his retirement benefit from the "B" Fund by providing written notification to Pension Plan Administration of such at least sixty (60) days prior to retirement.
2. In the event the Pilot irrevocably elects to defer receipt of his benefit from the "B" Fund to a later date, all contributions to the "B" Fund (both employee and Company) will be based on actual earnings. The units in the account shall continue to participate in the "B" Fund until a withdrawal notice is received by Pension Plan Administration. The distribution of the units in the account shall be as follows:
 - (a) In the event the pilot elects to have his account paid as an annuity from the "B" Fund, the payment of the benefit shall be effective on the first day of the month following the month in which such written election is received by Pension Plan Administration. Payment of the benefit will commence no later than the first of the month following thirty (30) days of receipt of the completed retirement forms.
 - (b) In the event the pilot elects to receive payment of his account in the form of a lump sum payment, the units in the account shall be disbursed using the last published December 31 unit value adjusted by the Index of Change for the month in which such withdrawal request is received by Pension Plan Administration.
3. In the event that notice to defer is not received by Pension Plan Administration at least sixty (60) days prior to retirement, the pilot will receive payment on his benefit commencement date in accordance with the provisions of [Supplement F\(2\)](#).
4. The Surviving Spouse of a pilot who has completed at least ten (10) years of service and dies after age 50 and for whom benefit payments have not begun shall receive a benefit equal to the benefit that the pilot would have received had he retired on the date of his death and had elected the two-thirds (2/3) joint annuitant option. In lieu of any other death benefit, the Surviving Spouse may elect to receive a lump sum payment of the deceased pilot's account under the Variable Annuity Trust.
5. This agreement does not affect distributions from the Fixed Income Plan (the "A" Fund).

The preceding may only be changed or modified as required by the Internal Revenue Service to maintain the qualification of the Plan under the Internal Revenue Code or the Department of Labor under the Employee Retirement Income Security Act of 1974 or other governmental restrictions or changes preventing or adversely affecting this modification.

Very truly yours,

/signed/

R. P. Craviso
Vice President
Employee Relations

Agreed to:

/signed/

F. R. Vogel, President
ALLIED PILOTS ASSOCIATION

SUPPLEMENT F(4)
August 20, 1996

Captain James G. Sovich
President
Allied Pilots Association
P.O. Box 5524
Arlington, TX 76005-5524

Pension Plan Amendments

Dear Captain Sovich:

This letter confirms an agreement between the Allied Pilots Association (the "Association") and American Airlines, Inc. (the "Company") regarding the American Airlines, Inc. Pilot Retirement Benefit Program (the "Plan"). The definitions in Section 2.1 of the Plan shall apply to this letter. Nothing herein shall affect any right that the Company or the Association, either on its own behalf or on behalf of the pilots it represents, has under the Collective Bargaining Agreement.

The Company expects to continue the Plan indefinitely but it necessarily reserves the right to amend the Plan, in whole or in part, at any time or from time to time, under the procedure described in Section 14.2, and to suspend or terminate the Plan, in whole or in part, at any time, by action of the Board of Directors, or its designee, provided that the Plan will not be amended, suspended, or terminated for the duration of the Collective Bargaining Agreement between the Company and the Association unless the Association agrees to the amendment, suspension, or termination.

Notwithstanding the foregoing, unless the parties otherwise agree, the Company reserves the following specific rights:

- (i) to amend any provision of the Plan that concerns the Company's funding of any benefit provided under the Plan (including, but not limited to, funding policy, assumptions, methods, timing, amounts, and asset strategies) other than a benefit funded through the Variable Annuity Trust;
- (ii) to amend any provision of the Plan that affects the composition, operation, rights, or responsibilities of the Pension Benefits Administration Committee and the Pension Asset Administration Committee;
- (iii) to amend any provision of the Plan that concerns the Company's right to name the Administrator and named fiduciary of the Plan;
- (iv) to amend any provision of the Plan that concerns the corporate structure of the Company, including, but not limited to, the definitions of Company, Employer, and Board of Directors;
- (v) to amend any provision of the Plan in which the amendment is required by the Act, the Code, any other federal law, or is necessary to maintain the tax qualified status of the Plan. If a federal law is enacted that requires that the Plan be terminated or suspended, the Company may terminate or suspend the Plan, provided that there is no alternative to termination or suspension. If there are alternative ways to amend, suspend or terminate the Plan, the Company will meet with the Association within a reasonable period of time before the date that the Company is required to comply with the change in the law for the purpose of discussing the alternative ways to amend, suspend or terminate the plan. Following these discussions, the Company may make the changes when required by the law, but in no event shall the Company be relieved of its obligations, if any, under the Collective Bargaining Agreement.

Within a reasonable period before the earlier of adoption or implementation of an amendment to the Plan, the Company shall provide the Association with a copy of the proposed amendment (or, should the Company desire to implement an amendment prior to a change in Plan wording, a complete description of the change) and meet with the Association to discuss the proposed amendment. Disputes under this letter agreement shall be subject to the grievance and arbitration procedures

provided by the parties in the Collective Bargaining Agreement.

Very truly yours,

/signed/
Jane G. Allen
Vice President
Employee Relations

Agreed:

/signed/
James G. Sovich
President
Allied Pilots Association

SUPPLEMENT F(5)

INTENTIONALLY LEFT BLANK

SUPPLEMENT F(6)

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

January 1, 2013

Retirement Income Benefits

Dear President Wilson:

This letter confirms certain agreements between American Airlines, Inc. ("Company") and the Allied Pilots Association ("Association") regarding the Variable Income Plan ("Pilot B Plan") and the Fixed Income Plan ("Pilot DB Plan") of the American Airlines, Inc. Pilot Retirement Benefit Program ("Program") and regarding Super Saver - A 401(k) Capital Accumulation Plan for Employees of Participating AMR Corporation Subsidiaries ("Super Saver"). This Supplement F(6) is effective September 7, 2012.

1. The parties agree that Supplements [F\(1\)](#) through F(4) reflect the manner in which pensions were determined prior to the freeze dates described herein and shall continue in effect except to the extent inconsistent with or modified by this Supplement F(6).
2. The parties agree to eliminate Supplement [F\(5\)](#) and the non-qualified pension plan alternative described therein.
3. The Company shall have no obligation, contractual or otherwise, that is inconsistent with its right under this Supplement F(6) to modify or eliminate Pilot DB Plan and Pilot B Plan benefits by plan amendment and/or implement the plan freezes and terminations under this Supplement F(6), including but not limited to, elimination of the lump sum option and the installment option in the Pilot DB Plan.
4. Pilot B Plan. The Company shall freeze the Pilot B Plan effective November 1, 2012 and thereafter terminate the Pilot B Plan effective November 30, 2012. On and after November 1, 2012:
 - a. No new participants will be added to the Pilot B Plan.
 - b. No contributions will be made for compensation earned on and after November 1, 2012.
 - c. When the Pilot B Plan is subsequently terminated effective November 30, 2012, the Company will:
 - (1) Contribute, prior to the plan termination date, on behalf of pilots on a military leave of absence on November 1, 2012, contributions based on estimated pay that the pilot would have earned for periods on military leave from the date the military leave commenced through October 31, 2012. For the purpose of this subparagraph (1), estimated pay shall be determined using the methodology for estimating pay for pilots returning from a military leave of absence prior to November 1, 2012.
 - (2) Provide the Association with a copy of the final actuarial valuation from the Pilot B Plan actuary, the information reasonably necessary for the Association and its consultants to verify the actuarial valuation (e.g., de-identified demographic information, account values, 2012 contributions, actuarial assumptions) and a copy of all expenses charged to the B Plan relating to the termination of the B Plan.
 - (3) Provide each participant with a final Pilot B Plan benefit package detailing the number of units, the unit value upon which the final distribution will be made and the available forms of distribution.
5. Pilot DB Plan. The Company shall take the following actions with regard to the Pilot DB Plan:
 - a. Freeze the Pilot DB Plan effective November 1, 2012, to ensure that the Company is not required to provide for future benefit accruals under the Pilot DB Plan on and after November 1 2012. On and after November 1, 2012:

- (1) No new participants will be added to the Pilot DB Plan.
 - (2) No further benefits will accrue under the Pilot DB Plan.
 - (3) Benefits for current pilots who are participants in the Pilot DB Plan will be determined based upon their pension accrual calculated as of October 31, 2012.
 - (4) Compensation earned on and after November 1, 2012, will not be counted for benefit accrual.
 - (5) Service performed on and after November 1, 2012, will not be counted for benefit accrual; however, service performed on and after November 1, 2012, will be counted solely for the purpose of determining vesting and eligibility for Early Retirement.
 - (6) The benefits accrued as of October 31, 2012, will remain obligations of the Pilot DB Plan and its related trust and will be paid in accordance with the terms of the Pilot DB Plan.
- b. Amend the Pilot DB Plan to eliminate the lump sum option and installment option, through the procedures set forth in a final regulation published by the U.S. Treasury Department and Internal Revenue Service, if and when it becomes lawful to do so.
 - c. Subject to the Association's rights set forth in subpart 5.d, below, seek to terminate, and terminate if such motion is granted, the Pilot DB Plan by filing a distress termination motion with respect to the Pilot DB Plan if:
 - (1) The U.S. Treasury Department and Internal Revenue Service do not publish a final regulation that the Company determines, in its sole discretion, will enable the Company to resolve, on a timetable satisfactory to the Company, structural issues under the Pilot DB Plan relating to the elimination of the lump sum option and installment option forms of benefits, or
 - (2) The U.S. Treasury Department and Internal Revenue Service do publish such final regulation, but the Company is unsuccessful in using the procedures set forth in such final regulation in receiving a determination that it is lawful to amend the Pilot DB Plan to eliminate the lump sum option and installment option.
 - d. If the Company files a distress termination motion with respect to the Pilot DB Plan at any time, the Association retains the right to oppose that motion on the grounds that the requirements of 29 U.S.C. section 1341(c)(2)(B)(ii) are not met for any reason.
 - e. The Pilot DB Plan shall be amended as soon as practicable following Company's emergence from Chapter 11 to provide that a participant may waive all spousal death benefits and designate a non-spouse beneficiary (subject to Spousal consent as required by the Pilot DB Plan) to receive a pre-retirement death benefit equal to the Basic Accumulation credited to date of the freeze, plus interest to date of distribution.
6. \$uper \$aver, or its successor. Assuming ratification by the Association's membership of a new collective bargaining agreement by December 10, 2012 and bankruptcy court approval by December 31, 2012, the Company will:
 - a. Amend the \$uper \$aver plan document to incorporate the provisions for Eligibility Service as defined in the Pilot DB Plan immediately prior to November 1, 2012 solely for purpose of determining eligibility for the contribution in paragraph c. below.
 - b. Enroll each pilot who is not already enrolled in \$uper \$aver after the pilot earns one year of Eligibility Service. Eligibility Service prior to November 1, 2012 counts toward this requirement.
 - c. For each pilot who has earned one year of Eligibility Service (as defined in \$uper \$aver) on or after November 1, 2012, the Company will contribute an amount equal to fourteen percent (14%) of the pilot's Eligible Compensation (as defined in \$uper \$aver) for service performed on or after November 1, 2012 through December 31, 2013. Any 14% contribution under this Paragraph (6) shall be reduced by any discretionary contributions the Company has made to pilots' \$uper \$aver accounts in anticipation of a ratified and Court approved new collective bargaining agreement. Effective January 1, 2014, for each pilot who has earned one year of Eligibility Service (as defined in \$uper \$aver) the Company will contribute an amount equal to sixteen percent (16%) of the pilot's Eligible Compensation (as defined in \$uper \$aver) for service performed on or after January 1,

2014. Such Company contributions shall be made as soon as administratively practicable following the date the pilot is paid.

- d. Union Leave. For Pilots on a union leave on or after November 1, 2012, the Company will contribute an amount equal to fourteen percent (14%) (sixteen percent (16%) effective January 1, 2014) of the pilot's Flight Pay Loss for service associated with a union leave performed on and after November 1, 2012. For the purposes of providing contributions to pilots on union leaves, there are two (2) types of Flight Pay Loss:

- (1) Type 1 Flight Pay Loss. Type 1 Flight Pay Loss covers union paid leave, which consists of regularly scheduled work assignments missed by pilots due to service performed for the union. For Type 1 Flight Pay Loss, the Association will reimburse the Company each month for the pay and the 14% contribution associated with union leaves on and after November 1, 2012.
- (2) Type 2 Flight Pay Loss. Type 2 Flight Pay Loss covers pay for pilots on union leave beyond regularly scheduled work assignments missed. Each month, the Association will provide the Company with a record of the Type 2 Flight Pay Loss compensation to be paid to pilots on union leave along with payment to the Company for the Type 2 Flight Pay Loss compensation plus the 14% (sixteen percent (16%) effective January 1, 2014) contribution and the payroll taxes associated with this pay. Upon receipt of payment, the Company will include the Type 2 Flight Pay Loss and the 14% (sixteen percent (16%) effective January 1, 2014) contribution in the Company's next normal pilot payroll cycle. Type 2 Flight Pay Loss will not be considered for purposes of the Company's other employee pay and benefit plans and programs.

Notwithstanding the provisions above in this paragraph 6.d, no contribution will be made to Super Saver if a pilot is on union leave and receiving LTD benefits from the 2012 Pilot LTD Plan or the 2004 Pilot LTD Plan or retirement disability benefits from the Pilot DB Plan.

- e. The Super Saver contributions made under this paragraph 6 shall be fully vested when made.
 - f. Pilots returning from a military leave of absence after November 1, 2012, will receive Company contributions under Paragraph 6.c for estimated pay while on military leave that would have been earned after October 31, 2012, based on the estimated pay methodology used prior to November 1, 2012 updated to reflect contractual changes.
 - g. If the Internal Revenue Code's limits reduce the Company contribution to be made under this Paragraph 6, the Company shall pay the portion that otherwise would have been contributed to Super Saver, to the pilot as a cash payment in the next regular paycheck, provided that such payments can be made in a manner that complies with the requirements of Internal Revenue Code and other applicable rules, and structured to avoid negative consequences to the pilots as a result of Internal Revenue Code section 409A, and further provided that such payments shall not be treated as "Compensation" for any purpose, including for purposes of contributions to Super Saver.
 - h. The Company will retain the right to amend Super Saver from time to time in its sole discretion, provided that no such discretionary amendment shall change the Company contribution or other requirements as set forth in this Supplement F(6), absent the Association's consent. The Company shall also retain the right to amend Super Saver in its sole discretion for the purpose of maintaining the plan's tax-qualified status or to otherwise comply with applicable Federal law. Within a reasonable period before the earlier of adoption or implementation of an amendment to Super Saver, the Company shall provide the Association with a copy of the proposed amendment.
 - i. The Company shall meet quarterly with the Association for the purpose of discussing Super Saver investment options, participation and account statistics, expenses, administrative concerns and overall operational information as it relates to pilot participation.
7. Disabled Pilots. Pilot DB Plan benefit accruals and contributions to any defined contribution plan or 401(k) plan sponsored by the Company for or on behalf of disabled pilots who are

receiving LTD benefits or disability retirement benefits will be handled in accordance with Letter KK(2).

8. Pension Statements.

- a. The Company shall provide an individual pension statement to each participant whose benefits are not in pay status showing accumulations under the Pilot DB Plan as of the date of the freeze in the same format used for the annual pension statement issued as of December 31, 2011, except that the statement shall include the annual Compensation amounts for the 10-year period used in determining the Final Average Compensation.
- b. The statement in Paragraph a. shall be provided as soon as practicable after the date of freeze of the Pilot DB Plan.
- c. Following the issuance of this statement, the Company will provide participants with additional statements reflecting their pension benefits only at such times as required by law.

Very truly yours,

_____/signed/_____
Laura A. Einspanier
Vice President
Employee Relations

Agreed:

_____/signed/_____
Keith Wilson
President
Allied Pilots Association

SUPPLEMENT G

Commuter Policy - Supplement G

The following sets forth the Commuter Policy for all (regular and reserve) pilots when circumstances prevent them from reporting for duty as previously planned or scheduled:

1. Pilots are expected to exercise prudent judgment and planning to avoid commuting problems, and are responsible for reporting for all assigned trip sequences with sufficient time and with adequate rest prior to beginning scheduled duty.
2. The pilot will notify Crew Schedule as soon as possible when it is known that a scheduled sign-in is no longer possible.
3. Pilots who commute by other means (e.g. automobile, train, bus, etc.) shall also be covered under this policy for unforeseen events, provided they notify Crew Schedule as soon as such events become known, and the scheduled sign-in is no longer possible. Examples of such events include but are not limited to severe unforecasted weather conditions, vehicular accidents and mechanical breakdowns.
4. Commuting pilots who arrive at their domicile after the first flight of their sequence has departed, or another pilot has been assigned to cover the flight, shall be subject to any of the following, at the discretion of Crew Schedule:
 - a. Deadheaded down line to rejoin his/her scheduled sequence, or
 - b. Assigned to any sequence by mutual agreement between the pilot and Crew Schedule, or
 - c. Assigned to another sequence which is scheduled to terminate no later than the same calendar day, or first available the following day, or
 - d. Removed from the scheduled sequence, or available day if on reserve, without pay.
5. For pay purposes under this Policy, the following shall apply:
 - a. Flight time missed will be unpaid and uncredited (see Paragraph 6).
 - b. Deadhead flights to join a new sequence, or the original sequence, will be unpaid (except for scheduled sequences that begin with a deadhead).
 - c. Flying assigned other than as scheduled on the original sequence will be treated as a reschedule.
6. It is expected that a pilot will utilize the provisions of this Policy on a rare basis. Each event involving the use of this Policy will be considered independently and judged on its own unique circumstances. However, repeated use of this Policy may be considered in evaluations of a pilot's overall attendance/reliability and may require flight documentation going forward. Such documentation may include, but not limited to, the following:
 - a. Adequate actual seat availability within twenty-four (24) hours of departure for online flights, or
 - b. Scheduled to operate twenty-four (24) hours prior to departure for off line flights, and/or
 - c. Flight scheduled to arrive at the pilot's domicile at a reasonable time before scheduled sign-in.

Additionally, the flight time lost may be changed to credited if the Chief Pilot determines that the intent of this Policy was not followed.
7. Nothing in this Supplemental Agreement shall be construed or interpreted as a change or modification to the past practice of a reserve pilot being "reasonably available by surface transportation" to the airport.
8. In the event the FAA amends its policies to treat commuting time as a break in a pilot's rest period:
 - a. This Commuter Policy shall be suspended on the effective date of such change, and

- b. The Company and the Association shall seek agreement on a suitable amendment to, or replacement for, this Commuter Policy, and
- c. Such meetings shall commence promptly upon the announcement by the FAA.

SUPPLEMENT H(1)

AmericanAirlines®

January 6, 2004

Captain John Darrah, President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, Texas 76155

Dear John:

This letter will confirm our mutual agreement that:

1. During the negotiations that concluded with the May 1, 2003 Agreement, a new Supplement H: CRAF Operations was included.
2. Since it is possible that during future CRAF Operations, this Supplement might or might not be appropriate, within thirty (30) days after the Company signs a Civil Reserve Air Fleet Standby Contract with the Government of the United States, the Company shall meet with the Association representatives for the purpose of determining whether or not the current CRAF agreement covers the operations under such Contract for the purposes of pilot pay, rules and working conditions.
3. If it is determined that the current CRAF agreement does not cover the operations planned under the contract, then within an additional forty-five (45) days, the Company shall meet with the Association representatives for the purpose of negotiating pilot pay, rules and working conditions covering operations under such Contract.
4. In the event of a National Emergency requiring the Company's participation in an Overseas and Foreign Operation, the Company shall meet with Association representatives, without delay, for the purposes of negotiating pilot pay, rules and working conditions covering such operations. Rates of pay, work rules, and other benefits negotiated in such Agreement shall be retroactive to the first day of such operation, to the extent it is possible. The American Airlines pilots and the Association will cooperate fully with the Company in implementing such operations without delay.

Sincerely,

/signed/
Mark Burdette
Director, Employee Relations

Agreed and Accepted:

/signed/_____
John Darrah, President
Allied Pilots Association

SUPPLEMENT H (2)

SUPPLEMENTAL AGREEMENT concerning Civil Reserve Air Fleet (CRAF) Operations

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC., hereinafter known as the "Company" and the AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC., as represented by the ALLIED PILOTS ASSOCIATION hereinafter known as the "Association."

WHEREAS, the Company maintains an ongoing commitment to the Government of the United States to provide aircraft and crews as part of the Civil Reserve Air Fleet (CRAF), and

WHEREAS, the Company and the Association recognize that CRAF operations are of National interest and must be performed without delay, and

WHEREAS, the Company and the Association desire to supplement and make certain exceptions to their Basic Agreement with respect to CRAF operations to be conducted by the Company,

NOW, THEREFORE, the Company and the Association hereby agree to the following terms applicable to CRAF operations, provided the provisions of the Basic Agreement shall apply to CRAF operations except as modified herein, and in the event of a conflict the provisions herein shall apply:

A. Definition and Application of CRAF Flying

1. When the United States Government activates CRAF (Stage 1,2 or 3), that flying shall include all flights flown at the direction of, or on behalf of, the U.S. Government, plus all necessary ferry flights and all deadheading related to such flying.
2. The Company and the Association intend that the exceptions to the Basic Agreement and Supplement I as described herein shall be utilized in performing CRAF missions.
3. Area of interest (AOI) is a geographic location for military personnel and/or equipment that are transported under the CRAF agreement that may expose American Airlines aircraft and/or crews to potentially hazardous situations. It is mutually agreed that it is in the best interest of the Company and the APA that aircraft and crews shall not overnight in these areas.
4. Overseas Staging Point (OSP) is a point outside the continental United States from which CRAF missions are conducted to and from an area of interest.
5. Point of Aerial Embarkation (PAE) is a point inside the continental United States from which American Airlines aircraft and crews pick up military personnel and/or equipment for delivery either to the OSP or an AOI.
6. CRAF aircraft are American Airlines aircraft specified by tail number by the Government of the United States for use in CRAF operations, or substitute aircraft approved by the responsible governmental authority.

B. CRAF Operations

1. Qualifications for CRAF Flying
 - a. Cockpit crewmembers awarded or assigned CRAF flying must meet the qualifications/requirements in the D.O.D. CRAF contract. These include being a U.S. citizen, possessing a valid passport and not being subject to Reserve or National Guard activation for the duration of the CRAF mission.
 - b. To be eligible for international CRAF flying, a cockpit crewmember must be current and qualified to fly such International Sequences.
 - c. Cockpit crewmembers awarded or assigned CRAF lines must be available for the full month.

2. CRAF Volunteers

- a. At each base where there are bid statuses on equipment which is committed for CRAF operations, the Company shall solicit a list of volunteer cockpit crewmembers to perform CRAF operations. Such volunteers shall be utilized whenever exceptions to the Basic Agreement, as described in this Supplement, are required to either complete the CRAF mission or the mission is scheduled to operate into an area(s) of interest. Non-volunteers may be utilized on all other CRAF flights.
- b. Cockpit crewmembers in the above bid statuses may volunteer for CRAF flying, and the number of such cockpit crewmembers who volunteer shall not be limited.
- c. A pilot who volunteers for CRAF flying may elect to remove his/her name from the CRAF volunteer list without prejudice or penalty. A pilot who has been contacted for a CRAF assignment can no longer change his/her volunteer status for that assignment.

3. CRAF Duties

- a. In the absence of a Company designated Pilot-in-Command (management pilot or Check Airman performing check airman duties), the Pilot-in-Command will be the most senior Captain
- b. The Pilot-in-Command will be responsible for the assignment of duties in accordance with Flight Department guidelines.
- c. The Company shall provide the Pilot-in-Command with contingency plans for any unforeseen layovers.

4. Posting and Filling CRAF Flying

- a. The Company shall post sequences for all CRAF flying as soon as practicable after the creation of the sequence. The Company shall determine the appropriate four part bid status in which such sequences shall be posted.
- b. The Company shall allocate known sequences prior to the bidsheet publication.
- c. (1) Open trip sequences for all CRAF flying scheduled within the flight time limitations in the Basic Agreement, including Supplement I, and not scheduled to operate into an AOI will be filled using the basic rules for the filling of open time, to both volunteer and non-volunteer crewmembers.
(2) All other open trip sequences for CRAF flying shall be proffered in seniority order and assigned in reverse seniority order to the CRAF volunteers, using the basic rules for the filling of open time.
- d. After completing the steps in [15.L.](#) of the Basic Agreement through step I and there are insufficient reserve volunteers who would otherwise be legal and available for such flying, the sequence may be assigned to a management pilot or Check Airman without incurring the obligation of apportionment pay. In the event that there are no reserves who are legal and available, apportionment pay will be provided.
- e. The first CRAF mission sequence for each aircraft type to an AOI may be assigned to management pilots or Check Airmen without incurring the obligation for apportionment pay.
- f. Each month for which the Company has committed aircraft to CRAF operations, and for which a sufficient level of activity in CRAF operations is anticipated, the Company may post as part of the monthly trip selections for such month a minimum of four (4) CRAF lines per category per aircraft committed to CRAF operations. The Company shall determine the appropriate four part bid status in which such lines shall be posted. The maximum number of CRAF lines that may be posted shall not be limited.

5. Duty Free Periods – CRAF Lines

- a. Each CRAF line shall contain duty free periods awarded based on where the pilot is to serve his/her CRAF obligation. If the obligation is to be served at a location within the continental United States, each pilot shall receive duty free periods in accordance with [Section 15.D.3.g](#) of the Basic Agreement.
- b. If the CRAF obligation is to be served at an OSP, each CRAF line shall contain seven (7) preplanned consecutive periods of twenty-four (24) hours free from all duty;

- (1) Provided a cockpit crewmember is given eighteen (18) hours notice prior to the scheduled commencement of such duty free period, such duty free period may be rescheduled prospectively, provided the crewmember is scheduled to fly a trip that is scheduled to terminate not later than 1200 local time on the third day of such block of duty free periods.
 - (2) If such crewmember is scheduled to fly a trip which terminates after 1200 local time on the first day of the duty free period, the crewmember will be given a rest period of twenty-four (24) hours free from duty prior to commencing a duty free period equal to that for which originally scheduled.
 - (3) An additional five (5) periods of twenty-four (24) hours free from all duty in a 30-day month or six (6) periods of twenty-four (24) hours free from all duty in a 31-day month shall be scheduled by the Company at any time after the month begins. Such additional duty free periods shall be scheduled in any combination provided there is no stand alone twenty-four (24), shall contain no golden or moveable days and may be moved by mutual agreement.
6. Monthly Maximum – CRAF Lines
- a. The monthly maximum for a cockpit crewmember who is awarded/assigned a CRAF line shall be 85 credited hours (PROJ).
 - b. For each cockpit crewmember awarded/assigned a CRAF line, each hour over seventy-five (75) hours shall be placed in the pilots PPROJ account at 1-1/4 for 1 for time above 75 hours and 1-1/2 for 1 for time above 80 hours.
 - c. A cockpit crewmember will be legal to fly and complete a trip sequence provided his/her accumulated credited time prior to departure of the trip sequence plus the scheduled time for the trip sequence, within the month, does not exceed eighty-five (85) hours (PROJ).
7. Pay
- a. Guarantee for all cockpit crewmembers awarded or assigned CRAF lines shall be 85/ MMAX of reserve guarantee.
 - b. Pilots performing Domestic Sequence CRAF flying will be paid Domestic rates of pay. Pilots performing International Sequence CRAF flying will be paid international rates of pay.
8. CRAF Staging Points
- a. Cockpit crewmembers holding CRAF lines and/or CRAF volunteers may be staged at a PAE and/or at an OSP.
 - b. Staging assignments can be for a full month or for a partial month.
 - c. Staging assignments for a full month will be proffered in seniority order among crewmembers holding CRAF lines and then, if necessary, assigned in reverse seniority order among those holding CRAF lines. In the absence of CRAF lines, staging assignments for a full or partial month will be filled from CRAF volunteers who do not hold CRAF lines in the following order:
 - (1) Proffer to reserves in seniority order
 - (2) Assign to reserves in reverse seniority order
 - (3) Proffer to regularly scheduled pilots in seniority order
 - (4) Assign to regularly scheduled pilots in reverse seniority order
 - d. Cockpit crewmembers staged in accordance with this provision shall receive transportation, lodging and expenses as if assigned TDY in accordance with the Basic Agreement.

C. On-Duty Periods

1. The on-duty periods for CRAF operations shall be in accordance with the Basic Agreement. In the event the U.S. Government fails to provide adequate notification which would allow the

Company to schedule such on duty periods within those limitations or, if the on-duty period includes CRAF segments to the area(s) of interest, the Company may utilize the following:

Crew Complement	Scheduled for Duty Aloft	On Duty Periods	
		Scheduled	Maximum
Crew of Four: Two Captains and Two First Officers	Over 12 Hours (2 Scheduled Landings)	18 hours	20 hours

In actual operations, the duty time maximum may be extended by the Pilot-in-Command only to complete the scheduled operation.

2. On-duty periods for the purpose of deadheading to cover CRAF operations shall be in accordance with the provisions of the Basic Agreement, as applicable.
3. When the Company's CRAF operation involves on duty periods flown under the provisions of Paragraph C. of this Agreement, and when the aircraft for such operations are not equipped with onboard sleeping accommodations, two (2) adjoining fully reclining first class seats shall be used as rest seats by the cockpit crewmembers.

D. Required Rest Period

1. A pilot who is scheduled to perform CRAF flying that is an exception to the Basic Agreement must be given a minimum layover rest period equal to twice the scheduled or actual flying time, whichever is greater, not to exceed twenty-four (24) hours.
2. The layover rest period following a duty period under this Agreement, and preceding a duty period in which only deadheading is performed, shall be a minimum of twelve (12) hours. This rest period may be waived by the pilot to deadhead.
3. The minimum rest period preceding a duty period involving eight (8) or more hours of duty aloft shall never be less than twelve (12) hours.

E. Deadheading

Deadheading to cover CRAF operations will be paid and credited in accordance with the Basic Agreement.

F. Reduction/Termination of CRAF Operations

1. Cockpit crewmembers holding CRAF lines who are no longer required for the CRAF operation may be removed from their CRAF lines and assigned according to the following:
 - a. If the CRAF line is cancelled within the first 15 days of the contractual month, the pilot may choose from the following options:
 - (1) To have the Company construct a secondary trip selection for the remainder of the month. To the extent possible the Company will honor pilot requests in seniority order in the construction of the secondary trip selections. Such pilot's guarantee will be prorated for the portion of the month spent on CRAF availability using the CRAF line guarantee and the secondary portion of the month using line guarantee.
 - (2) To be placed on reserve by choosing a published reserve line, with DFPs adjusted to account for DFPs used to that point in the month. Such pilot's guarantee will be prorated for the portion of the month spent on CRAF availability using the CRAF line guarantee and the portion of the month on reserve using the applicable reserve guarantee.
 - b. If the CRAF line is cancelled after the first 15 days of the contractual month, the pilot shall be placed on reserve by choosing a published reserve line adjusted by the procedures in (2) above. Such pilot's guarantee will be prorated for the portion of the month spent on CRAF availability using the CRAF line guarantee and the portion of the month on reserve.

- c. For the purposes of guarantee proration, any duty free period that has started before the company could legally return a pilot to his crew base will be counted toward CRAF line guarantee.
2. Such cockpit crewmembers will be removed from their CRAF lines in the following order:
 - a. Seniority order among those assigned CRAF lines.
 - b. Seniority order among those who proffered CRAF lines and who volunteer to be removed from their CRAF lines.
 - c. Reverse seniority order among those who proffered CRAF lines and who do not volunteer to be removed from their CRAF lines.
3. The monthly maximum of such cockpit crewmembers will be reduced to the monthly maximum for their bid status.

G. Insurance

1. The coverages provided by all contributory and noncontributory Company insurance programs or the equivalent of such coverages will be applicable to all cockpit crewmembers while performing any CRAF flying provided, however, that [Supp Z](#) and [Supp I](#) will not be applicable to the extent coverage is afforded under this Agreement.
2. In the event of the death of a pilot while the pilot is engaged during the course of his duties with the Company on a CRAF Mission, the Company shall pay or cause to be paid through insurance, subject to the conditions set forth in Exclusions below, one million dollars (\$1,000,000) to his designated beneficiary under the Company's Group Insurance Plan.
3. In the event of the permanent and total disability of a pilot, or the loss by a pilot of sight of both eyes, or the loss of both hands, or both feet, or one hand and one foot, or one hand and sight of one eye, or one foot and sight of one eye, resulting from injury or illness incurred while the pilot is engaged during the course of his duties with the Company on a CRAF mission, subject to the conditions set forth in Exclusions below, the Company shall pay or cause to be paid through insurance, an Accidental Disability and Dismemberment benefit of \$500,000 to be paid at the rate of 1% per month for 100 months for a covered disability. There will be no offset for the employee's VPAI coverage.

"Permanent total disability" shall mean the complete inability of the pilot to exercise his/her airmen certificate for at least one (1) year, and at the end of said period, the expectation to be that the disability shall continue for the remainder of the pilot's life. "Loss", with respect to hands and feet, shall mean actual severance through or above the wrist or ankle joints; with respect to eyes, shall mean entire and irrecoverable loss of sight. In the event the pilot becomes eligible for benefits under more than one (1) of the eventualities cited above, the maximum payment under this Section shall be five hundred thousand dollars (\$500,000).

4. OCCUPATIONAL DISABILITY BENEFITS

In the event an illness or injury, which arises out of or is suffered while a pilot is engaged during the course of his duties with the Company on a CRAF mission, results in the occupational disability of a pilot, subject to the conditions set forth in Exclusions below the Company shall pay for the period of disability, up to a maximum of twelve (12) months, the minimum guarantee for the pilot's bid status (no less than the average of Long Call and Short Call Reserve guarantee). Such payments will be less weekly indemnity benefits received under applicable Workers Compensation Laws. Notwithstanding the provisions of [Section 14](#) of the Basic Agreement, such pilot will not be charged sick leave during such twelve (12) month period.

5. APPLICABILITY

The provisions of [2.](#), [3.](#), and [4.](#) above shall be applicable to a pilot only when (i) death, (ii) total permanent disability, (iii) dismemberment or loss of sight, (iv) occupational disability, as applicable, which leads to such casualty occurs during the period of time that such pilot is on flight duty or paid layover on a CRAF mission.

6. EXCLUSIONS

The provisions of [2.](#), [3.](#), and [4.](#) above shall not be applicable to a pilot when death or injury, as applicable:

- a. is the result of or consists of addiction to drugs, or
- b. is contracted, suffered or incurred while such pilot was engaged in a criminal enterprise or results from having engaged in a criminal enterprise, or
- c. is intentionally self-inflicted.

7. WORKERS COMPENSATION BENEFITS

A pilot will be covered for Workers Compensation benefits while on a CRAF mission in amounts not less than those prescribed by the state in which such pilot's base is situated. These benefits shall be in addition to (i) any basic or optional life insurance benefits available under the Company's Group Insurance Plan, (ii) the death benefits provided under the Company's Pilot Retirement Benefit Plan and (iii) the death benefits provided under [2.](#) above.. It is understood that an injury or illness while on a CRAF mission which would be compensable under Workers Compensation if it occurred during normal duty will still be compensable under Workers Compensation, and would therefore not impact a pilots lifetime medical maximum.

8. MISSING, INTERNMENT, PRISONER OR HOSTAGE BENEFITS

- a. A pilot who is missing because of acts of terrorism or sabotage committed against such pilot while on flight duty or paid layover shall be paid the minimum guarantee for the pilot's bid status for a period of twelve (12) months after disappearance or until death is established, whichever first occurs. When such pilot has been missing for twelve (12) months, the Company will aid the beneficiary in obtaining legal proof in order that death benefits under Company plans (including the Pilot Retirement Benefit Plan) can be paid consistent with applicable state law.
- b. A pilot who is interned or taken prisoner or hostage as a consequence of terrorism or sabotage while on flight duty or paid layover shall be paid the minimum guarantee for the pilot's bid status for the period during which known to the Company to be interned or held prisoner or hostage. Such payments will cease, however, when death is established. In the absence of knowledge on the part of the Company as to whether the pilot is alive or dead, the pilot will be considered missing starting with the time last known to the Company to have been interned or held prisoner or hostage and will be covered under the provisions of a. above.
- c. When, under the provisions of a. or b. above, a pilot has been missing for a period of twelve (12) months, the death benefits provided under [2.](#) above shall be paid. If such pilot is later found to be alive, the minimum guarantee for the pilot's bid status will be paid retroactively to the time such payments ceased, less any death benefits which were paid to the beneficiary. Any death benefits not recovered by this offset will be repaid by the beneficiary to the Company upon its demand.

9. BENEFIT ASSIGNMENTS

The monthly compensation allowable under [8.](#) above to a pilot interned, held as a hostage or prisoner, or missing, shall be credited to such pilot on the books of the Company and shall be disbursed by the Company in accordance with written directions from him. The Company shall require each pilot to execute and deliver to the Company a written direction in the form hereinafter set forth. The Company shall, as soon as practicable, require all pilots to execute and deliver to the Company such a written direction. The direction referred to shall be in substantially the following form:

"To American Airlines, Inc.

"You are hereby directed to pay all monthly compensation allowable to me under the provisions of the Agreement between American Airlines, Inc. and the Air Line Pilots in the service of American Airlines, Inc., as represented by the Allied Pilots Association, while interned, held prisoner or hostage, or missing, or resulting from death or any other condition which causes direct payment to me to be impossible, as follows:

\$.....per month to.....

(Name)

.....
(Address)

as long as living, and thereafter to.....

(Name)

.....
(Address)

as long as living,

"The balance, if any, and any amounts accruing after the death of all persons named in the above designations shall be held for me, or in the event of my death before receipt thereof, shall be paid to the legal representative of my estate.

"The foregoing direction may be modified from time to time by letter signed by the undersigned and any such modification shall become effective upon receipt of such letter by you.

"Payments made by the Company pursuant to this direction shall fully release the Company from the obligation of making any further payment with respect thereto.

....."
(Pilot's Signature)

Any payments due to any pilot under this provision which are not covered by a written direction as above required, shall be held by the Company for such pilot and, in the event of death, shall be paid to the legal representative of his estate.

The monthly compensation allowable under this Section shall be in lieu of all compensation provided for by any law in respect to persons interned, held prisoner, or missing, and shall also be in lieu of all salary and subsistence during periods in which a pilot is interned, held hostage, held as prisoner, or missing.

Pilots shall maintain and continue to accrue seniority and longevity for pay purposes during periods in which they are interned, held hostage, held prisoner, or missing.

H. Duration

The Company and the Association anticipate that this agreement will meet the requirements for future CRAF operations; however, in the event of unforeseen circumstances, the parties agree to meet within seven (7) days and attempt to expeditiously resolve such issues as may be necessary to enable the Company to meet its CRAF and regularly scheduled operations.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this the 7th day of March, 2003.

WITNESSES:FOR AMERICAN AIRLINES, INC.

/signed/_____
J. J. Brundage
Vice President – Employee Relations

/signed/_____
R. P. Kudwa
Vice President – Flight

WITNESS:

FOR THE AIR LINE PILOTS IN THE

SERVICE OF AMERICAN AIRLINES, INC
AS REPRESENTED BY
THE ALLIED PILOTS ASSOCIATION

/signed/_____
J. E. Darrah
President

SUPPLEMENT I

between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by the
ALLIED PILOTS ASSOCIATION

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC., hereinafter known as the "Company" and the AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC., as represented by the ALLIED PILOTS ASSOCIATION, hereinafter known as the "Association".

WHEREAS, the Company and the Association desire to supplement and make certain exceptions to their Basic Agreement with respect to operations to be conducted by the Company for International Operations.

NOW, THEREFORE, the parties hereby agree to the following terms applicable to the pilots flying International Sequences, provided the provisions of the Basic Agreement shall apply to the International Sequences, except as modified herein, and in the event of a conflict, the provisions herein shall apply:

SECTION 1 - DEATH, PERMANENT TOTAL DISABILITY, DISMEMBERMENT AND INJURY BENEFITS

A. In the event a hostile or military action by any government while a pilot is engaged overseas in the course of his duties with the Company, or the assignment of a pilot in connection with a flight operation requiring a waiver of 49 CFR Part 175, results in:

1. the death of a pilot flying International Sequences due to injury from such action or assignment, or
2. the permanent and total disability of a pilot assigned to the International Sequences due to injury from such action or assignment, or
3. the loss, by a pilot assigned to an International Sequence, of sight of both eyes, or the loss of both hands, or both feet, or one hand and one foot, or one hand and sight of one eye, or one foot and sight of one eye, due to injury from such action or assignment, the Company shall pay or cause to be paid, subject to the conditions set forth in Section 1.C. and 1.D hereof, one hundred thousand dollars (\$100,000) to such pilot if he is alive, otherwise to his designated beneficiary under the Company's Group Insurance Plan. "Permanent total disability" shall mean the complete inability of the pilot to perform any and every duty pertaining to any occupation or employment for remuneration or profit for at least one (1) year, and at the end of said period, the expectation to be that the disability shall continue for the remainder of the pilot's life. "Loss", with respect to hands and feet, shall mean actual severance through or above the wrist or ankle joints; with respect to eyes, shall mean entire and irrecoverable loss of sight. In the event the pilot becomes eligible for benefits under more than one (1) of the eventualities cited above, the maximum payment under this Section shall be one hundred thousand dollars (\$100,000), and such benefits shall be in addition to the benefits provided in other Company plans.

B. In the event a hostile or military action by any government while a pilot is engaged overseas in the course of his duties with the Company, or the assignment of a pilot in connection with a flight operation requiring a waiver of 49 CFR Part 175, results in the occupational disability of a pilot, the Company shall pay for the period of disability, up to a maximum of twelve (12) months, the minimum pay set forth in Section 4 of the Basic Agreement, subject to the conditions set forth in [Section 1.C](#) and 1.D hereof. Such payments will be less weekly indemnity benefits received under applicable Workers Compensation Laws. Notwithstanding the provisions of Section 10 of

the Basic Agreement, such pilot will not be charged sick leave during such twelve (12) month period.

- C. The provisions of [Section 1.A.](#) and [1.B.](#) hereof shall be applicable to a pilot assigned to an International Sequence only when (i) death, (ii) total permanent disability, (iii) dismemberment or loss of sight, (iv) occupational injury, as applicable, which leads to such casualty occurs during the period of time that the provisions of [Section 15.F.](#) of the Basic Agreement are in effect for such pilot in connection with an International Sequence.
- D. The provisions of [Section 1.A.](#) and [1.B.](#) hereof shall not be applicable to a pilot assigned to an International Sequence when death or injury, as applicable:
 - 1. is the result of or consists of addiction to drugs, or
 - 2. is contracted, suffered or incurred while such pilot was engaged in a criminal enterprise or results from his having engaged in a criminal enterprise, or
 - 3. is intentionally self-inflicted.
- E. The disability exclusion set forth in paragraph III.O.(5) of the 2012 Pilot Long Term Disability Plan Document shall not apply to a pilot assigned to an International Sequence for a disability resulting from such assignment.

SECTION 2 - WORKERS COMPENSATION BENEFITS

A pilot who is assigned to an International Sequence will be covered for Workers Compensation benefits in amounts not less than those prescribed by the state in which such pilot's base is situated. These benefits shall be in addition to (i) any basic or optional life insurance benefits available under the Company's Group Insurance Plan, (ii) the death benefits provided under the Company's Pilot Retirement Benefit Plan and (iii) the death benefits provided under [Section 1.A.](#) of this Supplement I.

SECTION 3 - MISSING, INTERNMENT, PRISONER OR HOSTAGE OF WAR BENEFITS

- A. A pilot who, while engaged overseas in the course of his duties for the Company, becomes or is reported missing as a result of a hostile or military action by any government shall be allowed compensation as set forth in [Section 4](#) of the Basic Agreement for a period of twelve (12) months after his disappearance or until death is established, whichever first occurs. When such pilot has been missing for twelve (12) months, the Company will aid the beneficiary in obtaining legal proof in order that death benefits under Company plans (including the Pilot Retirement Benefit Plan, provided such pilot was a participant in the Plan) can be paid.
- B. A pilot who, while engaged overseas in the course of his duties for the Company, becomes or is reported interned or taken prisoner of war shall be allowed compensation as set forth in Section 4 of the Basic Agreement hereof for the period during which he is known to the Company to be interned or held prisoner of war. Such payments will cease, however, when death is established. In the absence of knowledge on the part of the Company as to whether the pilot is alive or dead, he will be considered missing starting with the time he was last known to the Company to have been interned or held prisoner of war and will be covered under the provisions of [Section 3.A.](#) hereof.
- C. When, under the provisions of [Section 3.A.](#) or [3.B.](#) hereof, a pilot has been missing for a period of twelve (12) months, the death benefits provided under [Section 1.A.](#) hereof shall be paid. If such pilot is later found to be alive, compensation under Section 4 of the Basic Agreement hereof will be paid retroactively to the time such payments ceased, less any death benefits which were paid to the beneficiary.

SECTION 4 - BENEFIT ASSIGNMENTS

- A. The monthly compensation allowable under [Section 3](#) hereof to a pilot interned, held as a hostage, or held prisoner of war or missing, shall be credited to such pilot on the books of the Company and shall be disbursed by the Company in accordance with written directions from him. The Company shall require each pilot hereafter assigned to an International Sequence to

execute and deliver to the Company prior to such employment or assignment, a written direction in the form hereinafter set forth. The Company shall, as soon as practicable, require all pilots assigned to International Sequences to execute and deliver to the Company such a written direction. The direction referred to shall be in substantially the following form:

"To American Airlines, Inc.

"You are hereby directed to pay all monthly compensation allowable to me under the provisions of this Supplement I between American Airlines, Inc. and the Air Line Pilots in the service of American Airlines, Inc., as represented by the Allied Pilots Association, while interned, held prisoner or hostage of war, or missing, or resulting from death or any other condition which causes direct payment to me to be impossible, as follows:

\$.....per month to (name).....

(address).....as long as living,

and thereafter to (name).....

(address).....as long as living

"The balance, if any, and any amounts accruing after the death of all persons named in the above designations shall be held for me, or in the event of my death before receipt thereof, shall be paid to the legal representative of my estate.

"The foregoing direction may be modified from time to time by letter signed by the undersigned and any such modification shall become effective upon receipt of such letter by you.

"Payments made by the Company pursuant to this direction shall fully release the Company from the obligation of making any further payment with respect thereto.

.....
(Pilot's Signature)

- B.** Any payments due to any pilot under this Section which are not covered by a written direction as above required, shall be held by the Company for such pilot and, in the event of his death, shall be paid to the legal representative of his estate.
- C.** The monthly compensation allowable under this Section shall be in lieu of all compensation provided for by any law in respect to persons interned, held prisoner of war, or missing, and shall also be in lieu of all salary and subsistence during periods in which a pilot is interned, held in hostage, held as prisoner of war, or missing.
- D.** Pilots shall maintain and continue to accrue seniority and longevity for pay purposes during periods in which they are interned, held as a hostage, held prisoner of war, or missing.

SECTION 5 - DURATION

This Supplement I shall run concurrently with the Basic Agreement and subject to the provisions of [Section 26](#) thereof.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this the 30th day of January, 2015.

: FOR AMERICAN AIRLINES, INC.

:

Beth Holdren
Managing Director
Labor Relations - Flight

FOR THE AIR LINE PILOTS
IN THE SERVICE OF
AMERICAN AIRLINES, INC.
AS REPRESENTED BY THE
ALLIED PILOTS ASSOCIATION

Captain Keith Wilson
President

SUPPLEMENT J(1)

February 17, 1993

James G. Sovich
Chairman - Negotiating Committee
Allied Pilots Association
P. O. Box 5524
Arlington, Texas 76005-5524

Re: Brake Release Agreement

Dear Jim:

Enclosed is a signed original of the Brake Release Agreement and the side letter on that issue.

Sincerely,

/signed/
John C. Russell
Managing Director
Employee Relations

enclosures
[Supplements J(2) and J(3)]

SUPPLEMENT J(2)

AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by the
ALLIED PILOTS ASSOCIATION

This will confirm our agreement concerning the captain's authority and responsibility for the establishment of actual out times, as defined in [Section 15.C.10](#), and those departure delay situations in which the captain is authorized to begin flight time pay and credit prior to the commencement of flight time as defined below.

The Company and the Association reiterate their agreement that flight time (block-to-block time) is defined in [Section 15.C.10](#) of the Basic Agreement as the time from the moment the aircraft first moves for the purpose of flight (out time) until it comes to rest at the next point of landing (in time).

[Section 15.C.10](#) of the Basic Agreement also provides that when the captain elects to delay starting engines due to quoted ATC take off delays, flight time will, at the option of the captain, be considered to begin at the time the aircraft would normally have departed. In this situation, the out time will still be established at the moment the aircraft first moves for the purpose of flight, and the block-to-block time will not include the delay time (that time between the captain establishing the aircraft ready for departure and the out time). This delay time shall apply for monthly pay and credit purposes, will not be included in duty aloft time, and shall reflect on the affected crewmembers' monthly activity report.

Further, the Company and the Association agree that, in the event of a delay at the gate awaiting pushback, powerback or taxiout due to airport congestion caused by other aircraft or vehicular traffic, flight time pay and credit will begin at the time the aircraft was ready for immediate departure in all respects except for clearance from ramp or ground control. In this situation, the out time will still be established at the moment the aircraft first moves for the purpose of flight, and the block-to-block time will not include the delay time (that time between the captain establishing the aircraft ready for departure and the out time). This delay time shall apply for monthly pay and credit purposes, will not be included in duty aloft time, and shall reflect on the affected crewmembers' monthly activity report and active sequence report.

In both of the above described delay situations, flight time pay and credit for affected crewmembers will begin prior to the actual out time based on the time established by the captain as provided above, and the affected crewmembers will receive the greater of the scheduled block to block time or the delay time plus actual block time.

In witness whereof, the parties hereto have signed this agreement this 10th day of December 1992.

FOR THE AIRLINE PILOTS IN
THE SERVICE OF AMERICAN
AIRLINES, INC. AS
REPRESENTED BY THE ALLIED
PILOTS ASSOCIATION

FOR AMERICAN AIRLINES, INC.

/signed/
Richard T. LaVoy
President

/signed/
Jane G. Allen
Vice President
Employee Relations

/signed/
W. A. James
Vice President Flight
and Chief Pilot

SUPPLEMENT J(3)

January 20, 1993

Jane G. Allen
Vice President Employee Relations
American Airlines, Inc.
P. O. Box 619616 MD 5235
DFW Airport, TX 75261-9616

Dear Jane:

In consideration of the attached Letter of Agreement the APA agrees to withdraw the presidential grievance filed February 5, 1992 concerning the issue of brake release procedures.

Further, it is understood and agreed that nothing in the attached Letter of Agreement shall alter or waive a pilot's rights or protections as provided in the Basic Agreement, including but not limited to Sections [21](#) and [Letter C\(1\)](#); however, it is understood and agreed that the restrictions in [Letter C\(1\)](#) do not prevent the Company from continuing to audit in times, out times, and delay times due to quoted ATC take-off delays and airport congestion, as provided in the attached Letter of Agreement.

[Supplement J(2).]

It is also agreed that the Company will meet with APA representatives prior to developing the administrative procedures for inputting and processing delays due to airport congestion. Such meeting(s) will be for the purpose of receiving input and comments from the APA representatives in order to develop effective and efficient administrative procedures. It is agreed that the final procedures will not require the input of a delay code by station personnel in order for pilots to receive flight time pay and credit for such delays.

Sincerely,

/signed/
Richard T. LaVoy
President

Agreed:

/signed/
Jane G. Allen
Vice President Employee Relations
American Airlines, Inc

SUPPLEMENT J(4)

March 18, 1994

Ralph J. Hunter
Chairman - Negotiating Committee
Allied Pilots Association
P. O. Box 5524
Arlington, Texas 76005-5524

Dear Ralph:

In December of 1992 the Company and the Association entered into an agreement to pay and credit pilots for delays at the gate due to airport congestion caused by other aircraft or vehicular traffic.

The 1992 agreement was not intended to cover delays at the gate while awaiting deicing. However, the Association has, on a number of occasions, raised the issue of pay and credit for delays at the gate caused by congestion at a deicing operation which is being performed away from the gate.

Recognizing the spirit of cooperation which the Association has adopted over the past few months, The Company will agree to expand the application of the 1992 agreement to include such delays.

Specifically, at those stations where, and on those occasions when, Company aircraft are being deiced at a location other than the gate, application of the agreement dated December 10, 1992, is expanded to cover delays at the gate awaiting pushback, powerback or taxiout due to aircraft or vehicular traffic congestion at the deicing location. This expansion of the 1992 agreement does not apply to delays at stations where deicing is performed on the gate.

Sincerely,

/signed/
John C. Russell
Managing Director
Employee Relations

cc: J. G. Allen
C. D. Ewell
S. D. Nason
R. C. Keyt
B. J. Singh
All Chief Pilots

SUPPLEMENT K

January 1, 2013

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd, Suite 500
Ft. Worth, TX 76155-2512

Re: Medical Coverage for Active and Retired Pilots As Of January 1, 2013

Dear President Wilson:

This letter confirms an agreement between American Airlines, Inc. ("Company") and the Allied Pilots Association ("Association") regarding the terms of the medical coverage provided to: (i) eligible active pilots under The Group Life and Health Benefits Plan for Employees of Participating AMR Corporation Subsidiaries ("Medical Plan") (with said medical coverage being referred to herein as "Active Medical Coverage"); and (ii) pilots retiring on or after November 1, 2012, under The Group Life and Health Benefits Plan for Retirees of Participating AMR Corporation Subsidiaries ("Retiree Medical Plan") (with said medical coverage being referred to herein as "Retiree Medical Coverage").

This letter replaces and supersedes Supplements K(1), K(2) and K(3), Letter G, and Section 24(J) in the May 1, 2003 collective bargaining agreement, as well as all inconsistent agreements, past practices, and arbitration awards between the parties, and shall be effective [date of signing] unless otherwise indicated.

1. Active Pilot Medical Coverage Effective January 1, 2013

- a. The Company will offer two medical options in the Medical Plan: (i) the Standard medical option (contractual) and (ii) the Core medical option which is the Health Savings Account-compatible (non-contractual) medical option. All Medical Plan provisions are subject to change at the Company's sole discretion with the exception of:

- (1) the Standard medical option design features in the Chart of Active Medical Coverage Option Design Features in subparagraph (I) below,
- (2) the employee contribution methodology for the Standard and Core medical options described in subparagraphs (B) and (E) below,
- (3) changes noted in subparagraph (D) below,
- (4) the right to purchase dental coverage on similar terms as provided to eligible pilots prior to January 1, 2013,
- (5) the provisions of Supplement F(1) paragraphs 4 and 5(g), and
- (6) the provisions of Supplement Z.

Advance notice and a copy of any Medical Plan changes will be provided to the Association prior to implementation. To the extent the Company is offering the Value medical option in any plan year to employees, employees eligible to enroll in the Standard or Core medical options will be eligible to enroll in the Value medical option. The Company, at its sole discretion, may change design and contributions in the Value medical option or otherwise amend or eliminate the Value medical option.

- b. Aggregate employee contributions for the Standard and Core medical options for 2013 will be 18%, 2014 will be 19%, 2015 will be 20% and 2016 and thereafter will be 21% of the total projected cost of each forecasted year of healthcare expenses for these two medical options (which include medical/prescription and administrative expenses) as calculated by the Company. Employee contributions for the Standard and Core medical options will increase with medical inflation with employee contributions set as explained above. The Value medical option inflation and employee contributions will be calculated

separately from the Standard and Core medical options. Employee contributions for the Active Medical Coverage shall be made as pretax contributions, as long as: (i) pretax contributions are permitted by law; and, (ii) the Company incurs no financial hardship as a result of the pretax contributions.

- c. At least 30 days prior to the distribution of the Active Medical Coverage annual enrollment materials, the Company will provide the Association with a copy of the data, assumptions and methodologies used to calculate employee contributions under the Standard and Core medical options.
- d. The Standard medical option annual In-Network Deductible will increase by \$50 in 2015 and 2017 until the In-Network Deductible reaches \$850 for single coverage and the family In-Network Deductible will increase by \$150 in 2015 and 2017 until it reaches \$2,550 for family coverage.
- e. Chart of Coverage Tiers:

Current Coverage Tiers under May 1, 2003 CBA	New Coverage Tiers	Contribution Multiplier
Employee Only	Employee Only	1.0
Employee + 1	Employee + Spouse/ Domestic Partner	2.6
	Employee + Child(ren)	1.8
Employee + 2 or more	Employee + Family	3.5

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

- f. The \$150, \$250, \$500, \$1000 standard medical options in the May 1, 2003 Collective Bargaining Agreement are eliminated. All of the provisions of the Carey Award dated December 3, 1991 that relate to the Medical Plan, including the inflation formula described therein, are also eliminated.
- g. New employees eligible for healthcare coverage will default to the Core medical option for Employee Only coverage on their eligibility date, unless another option or level is elected by the employee during the initial enrollment period.
- h. To the extent the Company is offering incentives in any plan year to employees for participating in the wellness program (currently Healthmatters), employees enrolled in the Standard and Core medical options will be eligible for those incentives provided they meet the criteria (as established by the Company at its sole discretion) for earning the incentive.

i. Chart of Active Medical Coverage Option Design Features:

Option Design Features	Standard Contractual Features	Core Non-Contractual
Health Spending Accounts	HRA	
HRA Funding (2013 only)	\$375 employee & \$375 spouse/ domestic partner	
In-Network Deductible (Single/ Family)	\$750/\$2,250	
Out-of-Network Deductible (Single/ Family)	\$3,000/\$9000	
Coinsurance (In/Out)**	20%/40%	
In-Network Out-of-Pocket Max (Single/Family)	\$2,000/\$5,000	
Out-of-Network Out-of-Pocket Max (Single/Family)	\$6,000/\$15,000	
Primary Care Physician Copay(In Network only)	\$30*	
Specialist Copay (In/Out)	20%/40%	
Retail Clinics Copay (In/Out)	20%/40%	
Preventive Care (In-Network only)	\$0	
Emergency Room	Deductible/Coinsurance/\$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)	
2013 Monthly Contributions		
EE Only	\$70.69	\$57.40
EE + Spouse/Domestic Partner	\$183.81	\$149.25
EE + Child(ren)	\$127.25	\$103.33
EE + Family	\$247.43	\$200.91

* Deductibles and Coinsurance apply if provider is Out-of-Network.

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

The following provisions apply to the Standard medical option:

- (1) Deductibles do not apply toward Out of Pocket maximum.
 - (2) Medical Coinsurance applies to the Out of Pocket maximum
 - (3) Pharmacy Coinsurance (and min/max amounts) do not apply towards deductibles, but do apply towards Out of Pocket maximums.
 - j. The Company will also retain the right to amend any provision in the Medical Plan for the purpose of complying with applicable laws and regulations. The Company will provide the Association with advance notice and a copy of any amendment to the Medical Plan.
2. Other Benefit Coverage for Pilots
- The Company shall continue to provide eligible pilots with the following, in the same amounts as provided to eligible pilots prior to January 1, 2013: (i) basic term life insurance coverage; and, (ii) accidental death and dismemberment coverage.
3. Retiree Medical Coverage For Pilots Retiring On or After November 1, 2012
- a. Notwithstanding any provisions to the contrary in any prior collective bargaining agreements and all other prior agreements, past practices, and arbitration awards between the parties, the Company is not required to maintain, fund, or provide for retiree medical or retiree life insurance benefits, except for the Health Retirement Accounts described in [Letter 15-03](#).
 - b. Retiree Medical Coverage For Pilots Ages 50 through 64 Who Retire On or After November 1, 2012. Pilots retiring on or after age 50 and through age 64 will have access to a Company-sponsored retiree medical option. Retiree contribution rates for this coverage will be 100% of projected annual expenses (which includes administrative expenses) using data, assumptions, and methodologies for calculating future retiree healthcare costs. For the remainder of 2012, the Company will offer the pre-65 plan design (which includes a provider network) offered to management retirees. Although it is the Company's intention to continue to make available access to medical coverage for retirees from age 50 through age 64, the Company reserves the right to modify, amend, or terminate the Retiree Medical Plan at any time.
 - c. Retiree Medical Coverage For Pilots Age 65 and Older Who Retire On or After November 1, 2012. Retiree Medical Coverage shall cease when the pilot retiree attains age 65. These retirees will be offered access to purchase, at the retiree's expense, a guaranteed-issue Medicare supplement plan through a third party administrator, to the extent available.
 - d. At least 30 days prior to the distribution of the Retiree Medical Coverage annual enrollment materials, the Company will provide the Association with a copy of the data, assumptions and methodologies used to calculate the medical inflation rate and retiree contributions under the Retiree Medical Coverage.
4. Retired Pilot Life Insurance
- Retiree life insurance benefits are discontinued for pilots retiring on and after November 1, 2012.

5. Very truly yours,
- 6.
- 7.
8. Laura A. Einspanier
9. Vice President - Employee Relations
- 10.
11. Agreed:
- 12.
13. _____
14. Keith Wilson
15. President
16. Allied Pilots Association
- 17.

SUPPLEMENT L

SUPPLEMENTAL AGREEMENT

between

AMERICAN AIRLINES, INC.

and

THE AIR LINE PILOTS

in the service of

AMERICAN AIRLINES, INC.

as represented by

ALLIED PILOTS ASSOCIATION

DRUG AND ALCOHOL TESTING AGREEMENT

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC., hereinafter known as the "Company" and the AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC., as represented by the ALLIED PILOTS ASSOCIATION, hereinafter known as the "Association."

The parties hereby agree to the following specific terms to be incorporated into the Company's Drug and Alcohol Testing Program, effective January 1, 2013, and recognize and agree that this Agreement is a complete and final agreement concerning drug and alcohol testing as it applies to pilots in its employ.

1. DEFINITIONS:

- a. "Accident" means an occurrence associated with the operation of an aircraft which takes place between the time any person boards the aircraft with the intention of flight and the time all such persons have disembarked and in which any person suffers death or serious injury or in which the aircraft receives substantial damage.
- b. "Adulterant" means any substance used to tamper with a specimen, including nitrites or other foreign substances.
- c. "Adulterated specimen" means a specimen that contains a substance that is not expected to be present in human urine, or contains a substance expected to be present but is at a concentration so high that it is not consistent with human urine.
- d. "Alcohol use" means the drinking or swallowing of any beverage, mixture, or preparation (including any medication) containing alcohol.
- e. "Confirmed positive alcohol test result" means testing that reveals the presence of alcohol after a screening by Evidential Breath Testing (EBT), and a confirmation test also by EBT.
- f. "Confirmed positive drug test result" means a LC/MS/MS confirmed positive drug test result from an HHS certified laboratory.
- g. "Dilute specimen" means a urine specimen with creatinine and specific gravity values that are lower than expected for human urine.
- h. "DOT regulations" means the Department of Transportation's publication entitled: "Procedures for Transportation Workplace Drug Testing Programs" (49 CFR Part 40) effective October 1, 2010, and/or the procedures set out in 49 CFR Part 40 that address alcohol testing.
- i. "EAP" means Employee Assistance Program.
- j. "EBT" means Evidential Breath Test, a device used for administering breath alcohol tests (commonly called a breathalyzer).
- k. "HHS" means Department of Health and Human Services which certifies drug testing laboratories under the National Laboratory Certification Program.

- l. "Illegal drug(s)" includes, but is not limited to any of the following drugs or classes of drugs or their metabolites: 1) Marijuana, 2) Cocaine, 3) Opiates, 4) Phencyclidine (PCP), or 5) Amphetamines.
- m. "Immunoassay test" means the technique utilized for drug screening.
- n. "LC/MS/MS" means a liquid chromatography / mass spectrometry / mass spectrometry drug confirmation test.
- o. "Meeting" means any in-person or telephonic interaction between a Company representative and a pilot as prescribed in [Section 21](#) of the Basic Agreement.
- p. "MRO" means Medical Review Officer, a licensed physician, knowledgeable about substance abuse disorders who is responsible for receiving and reviewing laboratory results and evaluating medical explanations for certain drug test results.
- q. "MDSB" means medical disability benefits.
- r. "Notifier" means a representative of Company management, or its designee, who informs the pilot that he/she has been selected for random drug and/or alcohol testing.
- s. "Other drugs of abuse" means those families of drugs (or their metabolite) specified in [Appendix A](#). Should the Company desire at any time to expand the list of drugs specified in [Appendix A](#), the Company and the Association will meet to discuss such desire, with expansion subject to Association concurrence.
- t. "Over-the-counter drug" means a drug that may be purchased without a prescription in the United States and/or Canada.
- u. "Permanent Disqualification" or "Permanent Bar" means permanent preclusion from performing the safety-sensitive function the individual performed prior to the alcohol / drug policy violation.
- v. "Prescription drug" means a drug(s) producing a pilot's confirmed positive test result which was legally prescribed for such pilot's personal use by his personal physician. Such pilot will be required to produce written proof of his/her prescription, which has caused the confirmed positive test result, if required by the MRO.
- w. "Prescription drug of abuse" means a drug(s) that has produced the pilot's confirmed positive test result which was prescribed by a licensed medical doctor for a person other than such pilot.
- x. "Pilot(s)" means Captain and/or First Officer.
- y. "SAP" means Substance Abuse Professional, a licensed and/or certified professional, experienced and knowledgeable in the diagnosis and treatment of disorders related to drug and alcohol use and abuse who evaluates employees who have violated a drug or alcohol regulation and makes recommendations concerning education, treatment, follow-up testing and after care.
- z. "Substituted specimen" means a specimen with creatinine and specific gravity levels that are so diminished that they are not consistent with human urine.
- aa. "Verified positive drug test result" means a test that reveals the presence of a drug(s) after 1) a screening by immunoassay, 2) a confirmation test by LC/MS/MS, 3) a final determination by an MRO that there is no legitimate medical explanation for the positive test, and 4) if eligible and requested in writing within 72 hours of the MRO's notification to the employee of a positive result, a test of the split sample by LC/MS/MS.

2. RIGHTS (GENERAL)

- a. In accordance with the Basic Agreement, a pilot is entitled to union representation in any meeting with a Company Representative regarding a positive alcohol or drug test as well as any meeting regarding any other drug and/or alcohol related matter that may possibly result in discipline or termination. A pilot has the right to speak to an APA representative once contacted by the MRO regarding the results of his/her drug test. The pilot may speak to an APA representative prior to discussing his/her test results. However, he/she must reestablish contact with the MRO within twelve (12) hours to complete the discussion. This time period may be extended at the discretion of the MRO. Regardless

of these contractual provisions, the MRO will follow the appropriate Federal guidelines to verify a positive drug test result.

- b. In accordance with the Basic Agreement, the pilot reserves the right to file a grievance concerning any disciplinary action, letter, or documents issued as a result of alcohol and/or drug testing or any violation of the terms of this Agreement.
- c. Should the Company desire at any time to expand the list of drugs specified in [Appendix A](#) of this Agreement, the Company and the Association will meet to discuss suggested changes, with expansion subject to Association concurrence.
- d. In the event the FAA disapproves any aspect of the Company's mandated drug and alcohol testing program, and the Company determines that corrective action is required to obtain the FAA's approval which necessitates a change in the terms of this Supplement, the parties agree to meet promptly to discuss that corrective action.
- e. Pursuant to any changes in DOT or FAA Drug and/or Alcohol Testing Regulations or the administration of the regulations requiring immediate compliance, the Company may enact temporary procedures to comply with such changes until the parties can promptly meet to discuss the impact of such action and the change(s) in regulations on this Agreement and resolve any dispute accordingly.
- f. Provisions of this Agreement apply to both drug and alcohol unless otherwise designated.

3. PERSONNEL

a. Medical Review Officer (MRO):

- (1) The Company's Corporate Medical Director or equivalent, or his designee(s), will act as its MRO. Designees will be limited to licensed medical doctors employed by the Company on a full time basis. The MRO will have a knowledge of substance abuse. The parties recognize the importance of the MRO to the overall success of the Company's drug testing program. In the event of a change in the person of the Company's Corporate Medical Director, or if the Company chooses to appoint as MRO a doctor other than the Corporate Medical Director, the Company agrees to give notice to the Association of the change and to discuss the new MRO's qualifications and experience in identification of and treatment of substance abuse prior to such appointment. The parties agree that, in this event, they will meet and, in good faith, work to arrive at a mutually acceptable MRO, giving due consideration to the Association's concerns and recommendations. Nothing herein restricts the right of the Company after giving such notice and after holding such discussion from selecting the MRO of its choosing.
- (2) The MRO, or his designee(s), will exercise his/her responsibilities in conformity with DOT and FAA regulations which include:
 - Acting as independent and impartial "gatekeeper" and advocate for the accuracy and integrity of the drug testing process;
 - Providing quality assurance review of the drug testing process for specimens under his/her purview;
 - Determining whether there is a legitimate medical explanation for confirmed positive, adulterated, substituted, and invalid drug test results from the laboratory;
 - Providing medical review of pilots' test results without establishing a doctor-patient relationship with the pilot whose test he/she reviewed;
 - Investigating and correcting problems where possible and notify appropriate parties (e.g. HHS, DOT, the Company) where assistance is needed (e.g. cancelled or problematic tests, incorrect results, problems with blind specimens);
 - Ensuring timely flow of test results and other information to the Company;
 - Protecting the confidentiality of the drug testing information; and
 - Performing all MRO functions in compliance with DOT and FAA regulations.

b. Substance Abuse Professional (SAP)

- (1) An SAP must have one of the following credentials:
- Licensed physician (Doctor of Medicine or Osteopathy);
 - Licensed or certified social worker;
 - Licensed or certified psychologist;
 - Licensed or certified employee assistance professional; or
 - Drug and alcohol counselor certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission (NAADAC) or by the International Certification Reciprocity Consortium/Alcohol and Other Drug Abuse (ICRC).
- (2) An SAP is not an advocate for the pilot or the Company. An SAP's function is to protect the public interest in safety by professionally exercising his/her responsibilities in conformity with DOT regulations that include:
- Making face-to-face clinical assessments and evaluations to determine what assistance is needed by the pilot to resolve problems associated with alcohol and/or drug use;
 - Referring the pilot to an appropriate education and/or treatment program;
 - Conducting a face-to-face follow-up evaluation to determine if the pilot has actively participated in the education and/or treatment program and has demonstrated successful compliance with the initial assessment and evaluation recommendations;
 - Providing the Company with a follow-up drug and/or alcohol testing plan for the pilot;
 - Providing the pilot and the Company with recommendations for continuing education and/or treatment;

4. TESTING PROCEDURES

All drug and alcohol testing methodology, including but not limited to collection procedures, chain of custody, and shipment of specimens, will comply with DOT regulations.

- The Company's Medical facilities will be utilized for collection of urine and/or breath specimens for drug and/or alcohol testing when collection is at a location that contains such a facility and the facility is open.
- When collection of a urine and/or breath specimen is necessary at a location that does not contain a Company medical facility or the Company medical facility is closed, the Company will retain the services of a specimen collection service to perform that service.

a. Drug Testing Procedures

- (1) The Company will utilize an independent, HHS certified laboratory to perform pilot drug testing covered by this Agreement.
- (2) The Company will utilize an express shipment company to transport all urine specimens to its selected HHS certified laboratory. Provided, however, all urine specimens collected in the geographic area in which the laboratory is located may be transported to the laboratory by a secure ground courier in that area. Should the Company elect at any time to utilize its internal mail system for transportation of urine specimens, the Company and the Association will meet to discuss the reasons and desirability of such a decision. The Company will not implement such decision without the concurrence of the Association.
- (3) Drug tests conducted under this Agreement for drugs (or their metabolite) prohibited by DOT and FAA regulation will be done in accordance with DOT regulations.
- (4) A urine specimen will first be subject to immunoassay and validity screening. If a negative result occurs, the specimen will be considered to be free of drugs.
- (5) If a positive result occurs on the immunoassay screen, a LC/MS/MS process will be used for confirmation. Both the immunoassay screening and the LC/MS/MS process

must indicate the presence of drugs for the specimen to be a confirmed positive drug test result. All specimens with confirmed positive results will be retained for possible retesting at the laboratory in properly secured, long-term frozen storage for a one-year period.

- (6) Drug tests conducted under this Supplement for other drugs of abuse (or their metabolite) will be in accordance with the DOT's regulation; provided, however, LC/MS/MS confirmation cut-off levels for such drug tests will be those levels set by [Appendix A](#) to this Supplement.

b. Alcohol Testing Procedures

- (1) A breath specimen will be subject to EBT screening (breathalyzer) administered by a Breath Alcohol Technician (BAT). If a breath alcohol concentration of less than 0.02 is received, the test result will be considered negative.
- (2) If a positive test result occurs (a breath alcohol concentration of 0.02 or greater), an EBT confirmation test using a new mouthpiece will be performed after a waiting period of at least 15 minutes after the screening test. The result of this confirmation test will determine any actions taken under the rule as a consequence of the test.
- (3) The accuracy of the testing device(s) will be verified following a positive test using one (1) bottle for both devices.

5. TESTING OCCASIONS

a. Pre-Employment / Re-Entry Drug Testing

- (1) All pilot applicants for employment must successfully complete drug testing prior to employment. If an applicant refuses to be tested or has a verified positive, adulterated, or substituted drug test result, the Company may deny or withdraw the offer of employment. Applicants will not be allowed to begin work until a negative result is received.
- (2) Employees transferring from a non-safety sensitive position in the Company into a position as a pilot must successfully complete a DOT pre-employment drug test and will not be allowed to begin work until a negative result is received.
- (3) If an employee is reinstated from a termination, or from a suspension, which involves payroll transaction activity (PTR), the employee will not be placed on active status until a negative DOT pre-employment drug test result is received by the Company. The Company will offer several drug testing alternative dates in an effort to minimize a delay to a pilot's return on the pilot's reinstatement date. Dates may be offered prior to or during suspension and promptly upon receipt of an arbitration decision that results in a pilot's reinstatement from termination.

b. Random Drug and/or Alcohol Testing

- (1) All pilots will be subject to random drug and/or alcohol testing.
- (2) Drugs to be tested for will be those drugs (or their metabolite) specified in DOT and FAA regulations.
- (3) Pilots will be selected for random drug and/or alcohol testing in accordance with a random selection computer model devised by the Company and approved by the FAA.
- (4) The Company will conduct random drug testing of a pilot at the conclusion of his/her sequence at his/her home base or satellite or co-terminal. Random alcohol testing may be conducted at any airport and may occur pre-flight, mid-sequence, or post-flight. A pilot selected to undergo a random drug and/or alcohol test who terminates his/her sequence at a co-terminal will be required to provide his/her specimen and/or breath sample at such station, notwithstanding the fact that such test may delay the departure of scheduled surface transportation or prevent him/her from taking such scheduled surface transportation. If the pilot is prevented from taking scheduled surface transportation due to a required drug and/or alcohol test, he/she will contact crew schedule to arrange for alternate transportation that will be provided at no cost to the pilot.

- (5) The Company will notify affected pilots of their selection for random drug and/or alcohol testing by the following means:
- (a) **Post-Sequence Drug and/or Alcohol Testing.**
A representative of Company management (notifier) will meet the flight of any pilot who has been randomly selected for a drug and/or alcohol test. "Meeting the flight" means the notifier will make contact with the pilot within the following parameters -- 1) a pilot will not be considered notified for random selection if the notifier contacts the pilot after he/she disembarks past the arrival gate area into any other part of the airport terminal or beyond, and 2) for international flights the notifier, who is not authorized to enter the restricted area, will meet the pilot outside of the customs screening area but not further than the entry into the rest of the terminal or beyond
 - (b) **Pre-Flight and Mid-Sequence Alcohol Testing**
The notifier will not be restricted to where he/she meets a pilot who has been randomly selected for a pre-flight or mid-sequence alcohol test.
 - (c) The notifier, after presenting positive identification, will obtain positive identification from the pilot at the time he/she presents himself/herself to the notifier.
 - (d) Once the selected pilot's identification has been confirmed, the pilot will be given written notification of his/her selection for random drug and/or alcohol testing along with the exact location of the collection site. The notification form will direct the pilot to immediately report to, and give a urine specimen at the Company's collection site in the case of drug testing and/or provide a breath sample in the case of alcohol testing.
 - (e) The Company representative will date and note the time and location the pilot was given the written notification of his/her selection for random testing. The pilot will be required to sign the written notification, acknowledging his/her receipt of notification.
 - (f) The pilot will receive two copies of the notification form, one for his/her records, and one that he/she will present to the collection person.
- (6) A pilot who is selected for random drug and/or alcohol testing will be required to report to the Company's Medical facility (or report to the representative of the specimen collection service retained by the Company if there is no Company Medical facility or it is closed) immediately after the receipt of his/her notice of random testing. Once notified, only Flight Management may release a pilot from his/her random drug and/or alcohol test.

c. Post-Accident Testing

Flight Department Management will investigate the circumstances surrounding an accident including soliciting the pilot's comments in an in-person or telephonic meeting. After the investigation, Flight Department Management will then determine if a pilot will be required to undergo a post accident drug and alcohol test if the pilot's performance has either contributed to the accident or cannot be completely discounted as a contributing factor. In cases of significant injuries to a pilot to be tested, obtaining necessary medical assistance will take priority over drug and/or alcohol testing, however such testing will be accomplished as soon as medically reasonable.

- (1) **Post-Accident Drug Testing**
Post-accident drug tests must be completed as soon as possible after any aircraft accident. If unusual circumstances unavoidably delay testing, attempts to test must continue for up to 32 hours but no later than that time frame. Drugs to be tested for will be those drugs (or their metabolite) specified in FAA regulations and other drugs of abuse (or their metabolite).
- (2) **Post-Accident Alcohol Testing**
Post-accident alcohol testing must be accomplished within 2 hours after an accident. If unusual circumstances unavoidably delay testing, attempts to test must continue for

up to 8 hours but no later than that time frame. The FAA requires the Company to document the reasons if the 2-hour and 8-hour limits were not satisfied.

d. Reasonable Cause Drug / Reasonable Suspicion Alcohol Testing

- (1) Pilots are subject to reasonable cause drug testing and/or reasonable suspicion alcohol testing. Observations may occur during, just proceeding, and/or just after flight duty. Reports of observations must be documented. Indications that reasonable cause / reasonable suspicion to test exist include, but are not limited to, the following:
 - Use or possession of alcohol or drug
 - Slurred speech
 - Unsteady standing or walking
 - Inability or difficulty doing routine tasks
 - Disorientation or confusion
 - Erratic or unusual behavior
 - Odor of alcohol and/or drugs on the body or breath
- (2) The Company and the MRO will make reasonable efforts to maintain confidentiality of the events surrounding a reasonable cause drug / reasonable suspicion alcohol testing directive, pending the results of the test. This commitment in no way limits the Company from taking appropriate disciplinary action, or from defending itself against grievances or other actions commenced by the pilot and/or the Association against the Company, or from providing information in response to a subpoena or other legal process.
- (3) Pilots who may be directed by Flight Management to undergo a reasonable cause drug and/or reasonable suspicion alcohol test may, upon request, consult with an Association representative prior to testing. Such consultation, whether in person or by telephone, will not unduly delay the administration of the drug and/or alcohol test.
- (4) Pilots tested for reasonable cause drug and/or reasonable suspicion alcohol will be withheld from service with pay pending notification of the test results. However, if the confirmed alcohol test is 0.02 or greater, the pilot will be withheld with pay pending results of the drug test.
- (5) For Reasonable Cause Drug Testing Only
 - (a) Flight Management may direct a pilot for reasonable cause testing only after two members of Company management, one of which will be a supervisor from the Flight Department, have concurred in the decision to test the pilot. At least one of the two members of Company management, preferably the one from the Flight Department if practical, will have personally observed the pilot who is reasonably suspected of using drugs. If personal observation of the pilot reasonably suspected by Flight Management of using drugs is not practical, Flight Management will make reasonable attempts to confer by telephone with local station management and the pilot suspected of using drugs. The purpose of such conference will be to ascertain the relevant facts before Flight Management directs the drug testing of a pilot. The member of Company management personally observing the pilot will have received training regarding detecting the symptoms of drug use (see list above).
 - (b) Drugs to be tested for will be those drugs (or their metabolite) specified in FAA regulations and other drugs of abuse (or their metabolite).
 - (i) Two urine specimens will be collected.
 - (ii) One urine specimen will be tested for those drugs (or their metabolite) specified in the FAA's regulation. Collection, shipment and testing will be in accordance with the DOT's regulation.
 - (iii) The second urine specimen will be tested for other drugs of abuse (or their metabolite) in accordance with the DOT's regulation; provided, however, LC/MS/MS confirmation cut-off levels for such drug tests will be those levels set by [Appendix A](#) to this Letter of Agreement.

(6) For Reasonable Suspicion Alcohol Testing Only

Reasonable suspicion alcohol testing occurs when at least one member of Company management, in consultation with a supervisor from the Flight Department determines that reasonable suspicion exists to test an employee. The observing member of management must have been trained in detecting the indicators of alcohol use.

Reasonable suspicion alcohol testing must be accomplished within 2 hours after a reasonable suspicion determination. If unusual circumstances unavoidably delay testing, attempts to test must continue for up to 8 hours, but not beyond that time limit. It is necessary in all cases to document the reasons the 2-hour and 8-hour limits were not satisfied.

e. Return to Duty Testing

(1) Drug Testing - A pilot who returns to duty following a verified positive drug test result must pass a drug test prior to his/her return. The drugs to be tested for will be those drugs (or their metabolite) specified in FAA regulations and/or other drugs of abuse (or their metabolite).

(2) Alcohol Testing - A pilot who returns to duty following a confirmed positive alcohol test result of 0.02 or greater must pass a return-to-duty alcohol test prior to his/her return.

f. Follow-up Testing

(1) Any pilot who is eligible for drug and/or alcohol education and/or treatment and who is recommended for return to work by the SAP as a pilot, after successfully completing such education and/or treatment, will be subject to unannounced follow-up drug and/or alcohol testing in accordance with current FAA regulations.

(2) The drugs to be tested for will be those drugs (or their metabolite) specified in FAA regulations and/or other drugs of abuse (or their metabolite)

(3) The duration of such unannounced drug and/or alcohol testing requirement will be determined by the SAP, not to exceed five years, but at a minimum of six (6) tests in the twelve (12) month period following the pilot's return to duty.

(4) The number and frequency for follow-up drug and/or alcohol testing will be established by the SAP after receiving recommendations from the pilot's aftercare counselor and the Association's Aeromedical Coordinator. The decision of the SAP will be final as to number, frequency and duration of testing. Follow-up testing will be extended or restarted if the pilot is not available for testing due to being on leave, furlough or other status in which he/she did not complete the required number of tests.

6. POSITIVE DRUG OR ALCOHOL TEST RESULTS AND CONSEQUENCES

a. Positive Drug Test Results

(1) Any pilot who has a confirmed positive test result for a drug specified in DOT and FAA regulations and/or other drugs of abuse (or their metabolite) shall be removed from flight status with pay by Flight Management. The MRO may recommend to Flight Management that a pilot be removed from flight status (with pay). The reason given by the MRO to Flight Management for such removal will be "for medical reasons." (See [Section 10](#)) The MRO shall make no further communication regarding the individual's test results until the MRO verification process is completed. Flight Management shall ensure that all reasonable efforts are made to maintain the confidentiality of such withholding from service.

(a) After receiving the confirmed positive test result and after removing the pilot from flight status, the MRO will contact the pilot to obtain his/her input concerning that result. This input will be given in person if so requested by the pilot. Nothing herein shall deny the pilot those rights specified in [Section 2.A](#) of this Agreement.

(b) After the MRO completes his/her review of the confirmed positive test result, he/she will decide if the test result is a verified positive, negative or cancelled test result.

(c) If the confirmed positive test result is deemed negative or cancelled by the MRO, (e.g., prescription drug or over-the-counter drug), he/she will inform Flight

Management the pilot is available to return to active flight duty status, if otherwise medically qualified.

- (d) If the confirmed positive test result is deemed a verified positive test result, the MRO will notify the Company's Drug Testing Program Administrator who will notify Flight Management of that result. The MRO will also notify the FAA, if the verified positive test result is for a drug specified in DOT/FAA regulations.

(2) Right to Test Split Specimen

- (a) Any pilot, who is notified by the MRO that he/she has a verified positive drug test, has 72 hours from the time of notification to request a test of the split specimen. This request may be verbal or in writing to the MRO. (See [Appendix B](#) for sample written request form.) The MRO will notify the laboratory that tested the primary specimen to forward the split specimen to another HHS certified laboratory for testing.
- (b) If the testing of the split specimen fails to confirm the results of the primary test, the MRO will cancel both tests. However, a cancelled test may not be used for the purposes of a negative test to authorize the pilot to perform safety-sensitive functions (i.e. in the case of pre-employment, return to duty or follow-up testing). Once the pilot has a negative test result, the MRO will advise Flight Management that the pilot is available for return to active flight status, if otherwise medically qualified.
- (c) If the testing of the split specimen confirms the results of the primary test, the MRO will then follow the procedures for completing the verification.
- (d) If the testing of the split sample cannot be completed because the split specimen is not available for testing, the MRO will cancel both tests and direct an immediate collection of another specimen under direct observation with no notice given to the pilot until immediately before the collection.

(3) Consequences of a Positive Drug Test

- (a) A pilot who has a confirmed positive test result for a drug specified in DOT/FAA regulations and/or for other drugs of abuse (or for any metabolite for such drugs) shall be removed from flight status with pay by Flight Management if Flight Management receives such a recommendation from the MRO. The reason given by the MRO to Flight Management for such removal will be "for medical reasons." The MRO shall make no further communication regarding the individual's test results until the MRO review process is completed. Flight Management shall ensure that all reasonable efforts are made to maintain the confidentiality of such withholding from service.
 - (i) After receiving the confirmed positive test result and after removing the pilot from flight status, the MRO will contact the pilot to obtain his/her input concerning that result. This input will be given in person if so requested by the pilot.
 - (ii) After the MRO completes his review of the confirmed positive test result, he will decide if the test result is a verified positive test result or is a negative test result.
 - (iii) If the confirmed positive test result is deemed negative by the MRO, (e.g., prescription drug or over-the-counter drug), he will inform Flight Management the pilot is available to return to active flight duty status, if otherwise medically qualified.
 - (iv) If the confirmed positive test result is deemed a verified positive test result, the MRO will notify the Company's Drug Testing Program Administrator who will notify Flight Management of that result. The MRO will also notify the FAA, if the verified positive test result is for a drug specified in DOT/FAA regulations.
- (b) A pilot who has a verified positive test result for a drug specified in the DOT/FAA regulations and/or other drugs of abuse (or their metabolites) will be terminated for violation of Company Rule 33 except as provided in subparagraph 6.A.(3).(c) & (d).

- (i) A pilot who has a verified positive test result for a prescription drug of abuse (or its metabolite) to which he is addicted (as determined by the SAP) will be terminated for violation of Company Rule 33.
 - [1] Such pilot, at his/her option and at his/her full cost, may seek rehabilitation treatment at a Company designated treatment facility.
 - [2] If such pilot successfully completes rehabilitation treatment (in the sole opinion of the SAP) and possesses a valid FAA Medical Certificate and Airman Certificate, she/he may be offered reinstatement in accordance with the terms of Conditional Reinstatement in Section 6.A. 3.(f) below.
 - [3] If the pilot, after reinstatement, successfully completes his/her aftercare program (i.e., is removed from follow up drug testing by the SAP), such pilot will be reimbursed for his/her rehabilitation treatment in accordance with the terms of the Company's applicable Group Health Insurance Plan.
- (c) A pilot who has a verified positive test result for a prescription drug of abuse (or its metabolite) to which she/he is **not** addicted (as determined by the SAP) will not be terminated; but rather, will be given a **last chance** written warning by Flight Management.
- (d) A pilot who has a verified positive drug test result for a prescription drug (or its metabolite) to which she/he is addicted (as determined by the SAP) will not be terminated or disciplined; but rather, will have his condition treated as a medical matter under the Basic Agreement.
 - (i) Such pilot must seek appropriate rehabilitation treatment at a Company designated treatment facility. Such treatment will be at the full cost of the pilot.
 - (ii) If the pilot successfully completes rehabilitation treatment (in the sole opinion of the SAP), possesses a valid FAA Medical Certificate and Airmen Certificate, is reinstated to active flight status, and successfully completes his/her aftercare program (i.e., is removed from follow up testing by the SAP), such pilot will be reimbursed for his/her rehabilitation treatment in accordance with the terms of the Company's applicable Group Health Insurance Plan.
- (e) A pilot who has a verified positive drug test result, and who is terminated by the Company in accordance with the terms and conditions of paragraph 6.A.(3)(b) above, may challenge his/her termination under [Section 21](#) of the Basic Agreement; provided, however, the jurisdiction of the System Board of Adjustment will be limited to deciding whether all provisions of this Supplement were complied with and correctly applied to the offending pilot, in which case the Board will be required to find just cause for such pilot's termination.
- (f) The Company will offer conditional reinstatement to pilots who test positive for illegal/illicit drugs on a Company or DOT/FAA mandated drug test and who are terminated by the Company for violation of Rule 33 due to such positive test or pilot(s) who are terminated for Rule 33 for reasons other than a positive test for illegal/illicit drugs (i.e., possession of drugs).
 - (i) Pilots who are terminated for multiple rule violations or for reasons currently excluded from this Conditional Reinstatement Policy (such as drug trafficking, violations involving personal injury to other, etc.), shall **not** be eligible for conditional reinstatement. Further, pilots who refuse a drug test or tamper with a specimen during a drug test or who refuse to cooperate during a drug test shall not be entitled to conditional reinstatement.
 - (ii) Conditional reinstatement shall be offered to eligible terminated pilots as follows:
 - 1The pilot must promptly submit to a chemical dependency assessment performed by the Company's Substance Abuse Professional (SAP).
 - 2The pilot must successfully complete any course or program, including any educational or rehabilitation program, recommended by the SAP following such mandatory assessment. Any educational, rehabilitation and/or aftercare program undertaken by the employee will be at the employee's expense, and

will not be reimbursed by the Company.

3 Upon meeting these conditions and submitting a return to duty drug test that is negative, the pilot shall be conditionally reinstated to employment, provided that the pilot executes an undated letter of resignation in the form provided by the Company. In this letter the pilot:

- a. commits to remaining drug free for his/her tenure with the Company,
- b. agrees to submit to follow-up (unannounced) drug testing,
- c. agrees not to tamper with a specimen during a drug test, and
- d. agrees to cooperate during requested drug tests.

4 If the pilot fails to comply with the conditions set forth in the undated letter of resignation, he/she is subject to immediate termination through invocation of the letter of resignation.

5 Pilots who are terminated either initially or finally under these provisions shall be entitled to COBRA coverage.

b. Consequences of a Positive Alcohol Test Result

(1) A pilot who has a positive alcohol test result with an alcohol content of 0.02 or greater will not be terminated, but will be immediately removed from service, with pay, and scheduled for an alcohol dependency assessment by the Company's SAP. Prior to being scheduled for the alcohol dependency assessment the pilot may request to be evaluated by an Evaluation Board comprised of the following AA/APA representatives, any one of who may refer the pilot for an alcohol assessment:

- An agreed to AA Medical Doctor on staff;
- An agreed to AA EAP Representative on staff;
- An APA Medical Doctor; and
- An APA Professional Standards or Aeromedical Committee Member.

If the Company's SAP or Evaluation Board determine that there is no alcohol dependency problem, the pilot will be sent to his/her Chief Pilot to be returned to duty. Note: Referral for education or treatment is required on any DOT test with an alcohol result of 0.04 or greater, regardless of whether or not the pilot is found to have an alcohol dependency problem.

- (a) A pilot evaluated and not diagnosed with an alcohol dependency problem will be returned to duty when his/her medical certificate (and Airman certificates, if revoked) has been reissued and any/all required education, treatment and return to duty requirements have been met. A Warning Letter with a duration of 24 months may be issued and documentation as required by DOT/FAA regulations will be maintained.
- (b) The status of a pilot evaluated and diagnosed with an alcohol dependency problem will be treated as a medical matter. The payment of sick pay/MDSB is subject to the limitations provided in this Agreement and [Supplement F\(1\)](#) of the Basic Agreement. The pilot will be returned to duty when his/her medical certificate (and Airman certificates, if revoked) has been reissued and any/all required education, treatment and return to duty requirements have been met.
- (c) A pilot who fails to cooperate and refuses an alcohol evaluation will be withheld from service without pay for a period not to exceed sixty (60) months, after which any return to service will be contingent upon the pilot's cooperation, reissuance of medical certificate, and mutual agreement between the Association and the Company.
- (d) If a pilot was previously diagnosed with an alcohol dependency problem as the result of an occurrence of a positive alcohol test result within the twenty-four (24) months prior to the second occurrence, time off payroll will be in an unpaid sick status until the pilot is in compliance with the aftercare program, at which point the pilot may debit sick bank. The pilot will be returned to duty when his/her medical

certificate (and Airman certificates, if revoked) has been reissued and any/all required education, treatment and return to duty requirements have been met.

- (e) If a pilot has a second occurrence of a positive alcohol test result within twenty-four (24) months of the first occurrence, and the SAP concludes that the pilot does not have an alcohol dependency problem, the pilot will be terminated and will be ineligible for conditional reinstatement.
 - (f) A pilot previously diagnosed with an alcohol dependency problem who refuses treatment/education after assessment will be withheld from service without pay for a period not to exceed sixty (60) months at which time the pilot will be administratively severed.
 - (g) A pilot who was previously diagnosed with an alcohol dependency problem who does not successfully complete the education, rehabilitation treatment or aftercare program recommended by the SAP following a mandatory assessment will be withheld from service without pay for a period not to exceed sixty (60) months at which time the pilot will be administratively severed.
 - (h) If a pilot has two occurrences in which the positive alcohol test results showed an alcohol content of 0.04 or higher, the pilot will be terminated pursuant to [Section 6.C](#) of this Agreement.
- (2) A pilot diagnosed with an alcohol dependency problem must complete the following requirements before being returned to active flight status:
- (a) At his/her option and at his/her full cost, seek education and/or treatment as recommended by the SAP at a Company-designated education program or treatment facility. A pilot who is reinstated and who, in the sole opinion of the SAP, successfully completes his/her education and/or treatment will be reimbursed in accordance with the terms of the Company's applicable Group Health Insurance Plan;
 - (b) Obtain a valid FAA Medical Certificate and Airmen Certificates if suspended or revoked;
 - (c) After reinstatement, successfully complete his/her follow-up testing and aftercare program.
- (3) If a pilot's positive alcohol test result has an alcohol content of 0.04 or greater, the results will be reported to the Federal Air Surgeon and documentation will be maintained as required by DOT regulations.
- (4) Any pilot who has a confirmed positive alcohol test result will be afforded the time necessary to have an independent test performed prior to being deadheaded to base.
- (5) Any pilot who tests positive, will, upon request, be provided with a copy of the calibration data for the device(s) used in the test.

c. Permanent Disqualification

- (1) Pursuant to FAA regulations, a pilot will be permanently precluded from performing safety-sensitive duties after any of the following:
- on-duty use of drugs or alcohol;
 - two (2) verified positive drug test results; or
 - two (2) confirmed positive alcohol tests results at a level of 0.04 or greater.
- (2) A pilot who is permanently precluded from performing safety-sensitive duties pursuant to Section C. (1) above will be terminated.

7. DILUTED, SUBSTITUTED, OR ADULTERATED DRUG TEST RESULTS AND CONSEQUENCES

- a. A specimen is considered diluted if the creatinine concentration is less than 20 mg/dL and the specific gravity is less than 1.003 unless otherwise designated by DOT regulation.

- b. A specimen is considered substituted if the creatinine concentration is less than or equal to 5 mg/dL and the specific gravity is less than or equal to 1.001 or greater than or equal to 1.020 unless otherwise designated by DOT regulation.
- c. A specimen is considered adulterated if it is determined that --
 - A substance that is not expected to be present in human urine is identified in the specimen;
 - a substance that is expected to be present in human urine is identified at a concentration so high that it is not consistent with human urine; or
 - the physical characteristics of the specimen are outside the normal expected range for human urine.
- d. A pilot who has an adulterated or substituted test result shall be treated in the same manner as a pilot who has a positive test result for a drug or drug metabolite, and therefore shall be removed from flight status with pay by Flight Management. The reason given by the MRO to Flight Management for such removal will be "for medical reasons." The MRO shall make no further communication regarding the individual's test results until the MRO review process is completed. Flight Management shall ensure that all reasonable efforts are made to maintain the confidentiality of such withholding from service.
 - (1) After receiving the diluted, substituted or adulterated test result and after removing the pilot from flight status, the MRO will contact the pilot to offer him/her the opportunity to present a legitimate medical explanation for the laboratory findings with respect to presence of the adulterant in, or the creatinine and specific gravity findings for, the specimen. This input will be given in person if so requested by the pilot.
 - (a) In the case of an adulterated specimen, the pilot must demonstrate that the adulterant found by the laboratory entered the specimen through physiological means.
 - (b) In the case of the substituted specimen, the pilot must demonstrate that he/she did produce or could have produced urine, through physiological means, meeting the creatinine and specific gravity criteria.
 - (2) The MRO has the discretion, and will make every effort, to extend the time available for up to five (5) days for the pilot to present information if there is reasonable basis to believe he/she will produce relevant evidence supporting the legitimate medical explanation within that time, including directing the pilot to obtain a further medical evaluation within that five (5) day period.
 - (3) After the MRO completes his/her review of the evidence presented by the pilot and he/she determines that there is a legitimate medical explanation, the test will be considered cancelled.
 - (4) After the MRO completes his/her review of the evidence presented by the pilot and he/she determines that the explanation does not present a reasonable basis for concluding there may be a legitimate medical explanation, then the MRO will report the test as a verified refusal to test because of adulteration or substitution as applicable.
 - (5) The consequences for a verified refusal to test because of adulteration or substitution will be the same as any other refusal to test that may include discipline up to and including termination for violating the Company Rules of Conduct related to insubordination.

8. REFUSAL TO SUBMIT AND/OR COOPERATE IN TESTING AND CONSEQUENCES

- a. A pilot may not refuse to submit to a post-accident, random, reasonable suspicion/cause, or follow-up drug and/or alcohol test. Under the amended DOT rules, a refusal to submit to a drug test includes any of the following:
 - (1) failure to appear or remain at the test site until excused or as otherwise provided in this agreement;
 - (2) failure to provide a urine specimen when required;

- (3) failure to permit a directly-observed or monitored collection;
- (4) declining to take a second test when directed;
- (5) failure to provide sufficient urine without a sufficient medical explanation;
- (6) failure to undergo a medical evaluation; or
- (7) failure to cooperate with the testing process;
- (8) failure to follow the observers instructions to raise and lower clothing to navel and mid thigh and turn around to permit the observer to determine if you have any type of prosthetic or other device that could be used to interfere with the collection process (in the case of an observed drug test);
- (9) possess or wear a prosthetic or other device that could be used to interfere with the testing process;
- (10) admit to the collector or MRO that you adulterated or substituted the specimen;
- (11) MRO reports that you have a verified adulterated or substituted test result;

Also under these rules, a refusal to take an alcohol test includes any of the following:

- (1) Failure to appear at the test site;
 - (2) Failure to remain at the test site until completion;
 - (3) Failure to provide sufficient breath to complete the test without sufficient medical reason;
 - (4) Failure to undergo a medical examination or evaluation as part of the insufficient breath procedures;
 - (5) Failure to sign step 2 of the required ATF form;
 - (6) Failure to cooperate with the testing process.
- b. A pilot who refuses or who fails, without the specific approval of Flight Management, to follow a Company directive to undergo random, return to duty, follow-up testing, post accident or reasonable cause / reasonable suspicion drug and/or alcohol testing or who refuses (as defined in this [Section 6](#)) or who fails to cooperate in drug and/or alcohol testing as mandated by this Agreement, will be withheld from service by Flight Management without pay pending investigation. If the investigation confirms the pilot's refusal or failure to follow a proper drug and/or alcohol testing directive, the pilot may receive discipline up to and including termination for violating the Company Rules of Conduct related to insubordination. The pilot will be reinstated with full back pay if the alleged refusal or failure to follow a Company directive is not pursued or proven.
 - c. Any pilot who reports for a random drug and/or alcohol test and, after forty-five (45) minutes from the time of notification as indicated on the form, a drug testing collector or breath alcohol technician (BAT) has not reported at the designated testing area to perform the test, the pilot shall be released after calling his/her Flight Office and advising them of the failure of the collector or BAT to appear and shall not be considered as refusing to submit to testing. The pilot shall indicate the time the call was made to the Flight Office on the notification form and the name of the person in the Flight Office advised and shall then provide a copy to the Flight Office within five (5) business days after that date. If the Flight Office is closed at the time the test is to be administered, the pilot shall call the on-call Chief Pilot at his/her base and follow the same procedures as indicated above in this paragraph.

9. REHABILITATION TREATMENT ACCESS AFTER A DRUG AND/OR ALCOHOL TEST DIRECTIVE ISSUED

The Company recognizes that chemical dependency is an illness and a major health problem. Early detection and treatment may also increase the likelihood of successful rehabilitation. Employees who believe they need help due to alcohol and/or drug use are encouraged to voluntarily seek help in dealing with such problems by utilizing the Company's Employee Assistance Program (EAP) and medical benefit plan as appropriate. Voluntary involvement in EAP will not jeopardize an employee's job and will not be noted in the employee personnel

record. It is the employee's responsibility to seek treatment through the EAP before the employee's conduct and/or test results warrant discipline or discharge under this policy. If the facts substantiate that an employee was in violation of Company Rules 7, 25, 26 and/or 33 or any other Company regulation/rule applicable to this policy, or if the employee has been directed for an alcohol and/or drug test under this policy, enrollment of the employee in a rehabilitation treatment program through the assistance of the Company's EAP is not an option in lieu of discipline or discharge."

10. PROGRAM VERIFICATION AND RELEASE OF DRUG AND/OR ALCOHOL INFORMATION

a. Verification

- (1) Upon request, the Company will provide the Association with statistical information contained in the Company's required annual report to the FAA on the number of pilot B 1) negative tests, 2) positive tests, and 3) refusals to test.
- (2) The Company will provide the Association with a detailed explanation of the computer model for random testing and advise the Association prior to implementing any changes to the computer model.
- (3) Drug test results for Company submitted blind samples (quality assurance testing) will be made available to the Association upon request.
- (4) Test locations for alcohol testing will be defined and subject to review and input from the Association.

b. Release of Drug and/or Alcohol Information

- (1) Information and medical records related to a chemical dependency are both sensitive and confidential in nature. Therefore, such information and records will be strictly limited to those individuals at the Company who have a "need to know."
- (2) Pursuant to DOT and FAA regulations, records associated with verified positive drug tests or any violation of alcohol misuse reported to the Federal Air Surgeon must be maintained by the Company for five (5) years, but shall be expunged from the pilot's personnel file after that time period. Records regarding decisions to administer reasonable suspicion alcohol tests or post-accident alcohol tests are only required to be maintained for two years and shall be expunged from the pilot's personnel file after that time period.
- (3) The Company may release information regarding a pilot's drug and/or alcohol testing result(s) or rehabilitation to a third party outside the Company only with the specific, written consent of the pilot, authorizing release of the information to an identified person. Information regarding a pilot's drug and/or alcohol testing result(s) or rehabilitation may be released to the NTSB as part of an accident investigation, to the FAA upon request, or as required by FAA regulation.
- (4) The limited disclosure of information, as provided above, in no way limits the Company from taking appropriate disciplinary action, or from defending itself against grievances or other actions commenced by the pilot and/or the Association against the Company, or from providing information in response to a subpoena or other legal process.

11. PILOT COMPENSATION AND BENEFITS

- a. A pilot selected for a random drug or alcohol test will be paid fifteen (15) minutes flight time pay, no credit for an drug or alcohol test conducted at the end of a sequence. A pilot selected for an alcohol and drug test concurrently will be paid for both tests (30 minutes). Pay for these tests will be retroactive to the time that the testing was first implemented. Such pay shall be over and above all other compensation and shall not be offset against guarantee.
- b. While the Company shall be responsible for avoiding illegalities in the scheduling of a pilot for random drug and/or alcohol testing, if it appears likely that a regularly scheduled pilot who, as the result of random testing, will not have twelve (12) hours free of all duty prior to his/her next regularly scheduled trip sequence, such pilot shall notify his/her flight manager of such fact. Such notification must be made prior to the commencement of such twelve (12) hour rest period. When such notification is made, the flight manager

shall determine whether to release such pilot from testing, or to accept pay liability for the regularly scheduled trip sequence missed. Failure to notify the flight manager of an impending legality problem shall result in such pilot being retained in testing and forfeiture of any pay resulting from subsequent regularly scheduled trips missed.

- c. A pilot who, as a result of random drug and/or alcohol testing, becomes illegal for open flying proffer or assignment shall confer with such pilot's flight manager for resolution.
- d. The provisions of the Company's Workers Compensation program shall apply to a pilot while engaged in procedures required by this Agreement and/or FAA drug and/or alcohol testing regulations.
- e. A pilot who tests positive for drugs and/or alcohol away from base will be removed from the balance of his/her original sequence and scheduled for a deadhead to base in accordance with the Basic Agreement. Pay and credit will be based on the Company scheduled deadhead, however a pilot who misses a scheduled deadhead because of an independent test will deadhead to base as soon as possible after the independent test is completed. If an independent test causes a pilot to miss the last flight of the day, the Company will arrange and pay / reimburse for hotel accommodations.
- f. A pilot who tests positive for drugs and/or alcohol will be evaluated as expeditiously as possible, but normally no later than five (5) days after the pilot returns to base. The pilot's paid status shall be amended to unpaid status if the evaluation period exceeds five (5) days and the delay is caused by the pilot. The Chief Pilot will resolve any unusual circumstances that may delay scheduling the evaluation (e.g. vacation, etc.).
- g. A pilot diagnosed as chemically dependent on alcohol who refuses treatment after evaluation will remain on paid sick leave until sick leave is exhausted, at which time the pilot may revert to MDSB or unpaid sick leave of absence at the pilot's option, subject to the provisions of this Agreement and of the Basic Agreement.
- h. A pilot, who successfully completes treatment and aftercare, will remain eligible for utilization of accrued sick leave. Upon exhaustion of accrued sick leave, the pilot will be placed on MDSB until a special issuance medical certificate is received from the FAA and the pilot returns to line flying, subject to the provisions of this Agreement and of the Basic Agreement.
- i. A pilot can use make-up, PVD's and/or CPA time to cover time lost.
- j. A pilot who loses pay as a result of being scheduled for a pre-sequence and/or mid-sequence alcohol test, shall have the events reviewed by their Chief Pilot for pay status.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 1st day of January 2013.

FOR THE AIRLINE PILOTS
IN THE SERVICE OF
AMERICAN AIRLINES, INC.
AS REPRESENTED BY
THE ALLIED PILOTS ASSOCIATION

FOR AMERICAN AIRLINES, INC.

/signed/
Keith Wilson
President

/signed/
Denny Newgren
Director, Employee Relations

APPENDIX A

DRUG CLASS	INITIAL TEST LEVEL	CONFIRMATORY TEST LEVEL	CONFIRMATORY METHOD
AMPHETAMINES	500 ng/mL		
Amphetamine		250 ng/mL	LC/MS/MS
Methamphetamine		250 ng/mL	LC/MS/MS
MDMA, MDEA, MDA		250 ng/mL	LC/MS/MS
BARBITURATES*	300 ng/mL		
Amobarbital		300 ng/mL	LC/MS/MS
Butobarbital		300 ng/mL	LC/MS/MS
Pentobarbital		300 ng/mL	LC/MS/MS
Phenobarbital		300 ng/mL	LC/MS/MS
Secobarbital		300 ng/mL	LC/MS/MS
BENZODIAZEPINES*	300 ng/mL		
Alprazolam Metabolite		300 ng/mL	LC/MS/MS
Oxazepam		300 ng/mL	LC/MS/MS
Flurazepam Metabolite		300 ng/mL	LC/MS/MS
Lorazepam		300 ng/mL	LC/MS/MS
Nordiazepam	25 ng/mL	300 ng/mL	LC/MS/MS
Temazepam		300 ng/mL	LC/MS/MS
Diazepam Metabolite		300 ng/mL	LC/MS/MS
COCAINE METABOLITES	150 ng/mL	100 ng/mL	LC/MS/MS
MARIJUANA METABOLITES	50 ng/mL	15 ng/mL	LC/MS/MS
METHADONE*	300 ng/mL	300 ng/mL	LC/MS/MS
OPIATES	2000 ng/mL		
Morphine		2000 ng/mL	LC/MS/MS
Codeine		2000 ng/mL	LC/MS/MS
6-Acetylmorphine (6-AM)	10 ng/mL	10 ng/mL	LC/MS/MS
OPIATES SPECIAL*			
Hydromorphone	300 ng/mL	300 ng/mL	LC/MS/MS
Hydrocodone	300 ng/mL	300 ng/mL	LC/MS/MS
Oxycodone	100 ng/mL	100 ng/mL	LC/MS/MS
Oxymorphone	100 ng/mL	100 ng/mL	LC/MS/MS
PHENCYCLIDINE	25 ng/mL	25 ng/mL	LC/MS/MS
PROPOXYPHENE*	300 ng/mL	300 ng/mL	LC/MS/MS

* Expanded Company Panel

APPENDIX B

Date: _____

MEDICAL REVIEW OFFICER
American Airlines
MD 4100 HDQ2
4255 Amon Carter Blvd.
Fort Worth, Texas 76155
Fax - 817-931-2238

REQUEST FOR TESTING OF SPLIT SPECIMEN

Verbal requests (from the employee only) will also be honored as required by DOT regulations

Please submit my split specimen to the retesting lab to reconfirm the presence of the drug or drug metabolite and/or for the adulterant detected in my primary specimen or to reconfirm a substituted test result. Testing will be conducted without regard to the cutoff concentrations used in testing the primary specimen. It is understood that the specimen sent to the retesting lab will be handled in accordance with DOT chain of custody regulations.

Print Employee's Name _____ Station _____
Employee Number _____ Social Security Number _____
Collection Date _____ Specimen ID# _____
Location of Collection _____

The retesting lab will be an HHS certified lab contracted by American Airlines.

Employee Signature Date

Address City, State, Zip Phone

I hereby authorize the _____ to receive a copy
(Name of Union)

of the results of my primary and split specimen tests.

Copy of original LC/MS/MS and retest results to: Employee at address listed above

INSTRUCTIONS :

Fax this form to Medical Review Office (MRO) at (817) 931-2238. The employee is not required to pay for the test before the test takes place; however, the company will seek reimbursement for the cost of the test from the employee (or Union, if applicable) which currently costs \$75.00 per drug retest.

SUPPLEMENT M

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SUPPLEMENT N(1)

May 1, 2003

This Supplement N(1) will terminate upon implementation of PBS.

Captain John E. Darrah
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, Texas 76155-2512

CPA Pay Out Provisions

Dear Captain Darrah:

This is to confirm our understanding on the application of Credit Plan Account (CPA) conversion of bank hours to pay.

A pilot may make a monthly election to receive up to ten (10) hours CPA time as pay provided that a pilot's bank is not debited to a negative balance. Such CPA time shall be paid at rates on the highest equipment on the monthly trip selection to which it is applied and shall be paid in addition to the pilot's Pay Projection (PPROJ) after all other contractual applications have been applied (e.g., CPA fill-up, pay-no-credit applications, apportionment, etc.).

Very truly yours,

/signed/
Jeffrey J. Brundage
Vice President
Employee Relations

Agreed:

/signed/
John E. Darrah
President
Allied Pilots Association

SUPPLEMENT N (2)

This Supplement N(2) will terminate upon implementation of PBS.

American Airlines®

May 1, 2003

Captain John Darrah, President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, TX 76155-2512

Dear John:

During the negotiations which led to the Tentative Agreement dated March 31, 2003, the parties agreed to change the CPA payout provisions of the Agreement. Any pilot with a CPA bank in excess of fifty (50) hours will be paid out the time in excess of fifty (50) hours in the following month, rather than being removed from a trip sequence.

As a result of this change, combined with the reduction in pay which will occur following ratification, the Company has agreed to increase the hour value of the CPA banks of those pilots with a positive bank by 29.87% effective May 8, 2003, to account for the salary reduction. Those pilots who have a negative CPA bank will have no change to their bank as a result of this agreement.

Given the current circumstance with respect to Cash Flow, pilots who have CPA banks in excess of fifty (50) hours effective May 8, 2003 shall not be removed from trip sequences but instead will have the time over fifty (50) hours paid out as follows:

1. up to five hours per month for each month with a balance over fifty (50) hours effective for the pay periods July 2003 through December 2003; then
2. up to ten (10) hours per month for each month with a balance over fifty (50) hours effective for the pay periods January 2004 through June 2004; then
3. if the pilot's bank is still in excess of fifty (50) hours at the end of June 2004, the entire balance over fifty (50) hours will be paid out in the following month.

Effective July 2004, any balance over fifty hours in the pilots CPA bank will be paid out in the following month.

Sincerely,

/signed/
Mark Burdette
Director, Employee Relations, Flight

/signed/_____
John Darrah, President
Allied Pilots Association

SUPPLEMENT O

SUPPLEMENTAL AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
ALLIED PILOTS ASSOCIATION

This Agreement is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC., hereinafter known as the "Company", and the air line pilots in the service of AMERICAN AIRLINES, INC. as represented by the ALLIED PILOTS ASSOCIATION, hereinafter known as the "Association".

WHEREAS, the Company and the Association have entered into an agreement to codify the pay and working conditions for Check Airmen and modify the scheduling of pilots who accomplish temporary supervisory duties by performing flight standards, training or checking functions as Check Airmen.

NOW, THEREFORE, the parties hereby agree to the following terms applicable to pilots who accomplish temporary supervisory duties.

1. A line pilot or a regularly scheduled Check Airman on a line rotation, except a Check Airman rotating to a monthly reserve bid, may be utilized as a flight standards Check Airman or may perform training or check functions in category (including a flight officer acting as a Flight Engineer Check Airman) on a temporary basis provided the pilot is properly qualified for the function to be performed. In such case, the provisions of [Section 6.C.3.](#) shall not apply to such temporary assignment.
2. The Company may select line pilots, who must meet the requirements of Supplement Y, for voluntary supervisory duty under this agreement. Such pilots will be trained and qualified to perform Check Airman or qualification functions. A pilot who cannot currently hold a captain status may be used only as a Flight Engineer Check Airman or to perform a flight engineer training or check function.
3. A line pilot or regularly scheduled Check Airman on line rotation may change or move scheduled duty-free periods in accordance with the Basic Agreement to accommodate temporary supervisory duties in accordance with this Supplement.
4. Line pilots performing work under the provisions of this Supplement may be regularly scheduled or reserve line holders. Check Airmen performing work under this Supplement must hold a selection other than reserve. Such line pilots and Check Airmen may perform work under this Supplement on their own trips or trips to which reassigned, or trips awarded or assigned through the filling of open time in accordance with Section 15.L of the Basic Agreement. In addition, such pilots may be assigned or reassigned to perform work under this Supplement on trips on a displacement basis, or trips blocked in accordance with [Section 6.C.5.](#) of the Basic Agreement. The following exceptions to this paragraph shall apply:
 - a. Line pilots who perform work under this supplement while on reserve will be restricted from performing Line Checks.
 - b. Line pilots who perform work under the provisions of this Supplement while on reserve will be limited to two (2) sequences not to exceed a total of thirty (30) hours of such work when performed on other than a trip(s) awarded in accordance with [15.L.](#)
 - c. Line pilots on reserve who perform work under this Supplement on trip sequences blocked in accordance with [Section 6.C.5.](#) of the Basic Agreement must be placed on such trip sequence either through the filling of open time in accordance with [15.L.](#) of the Basic Agreement or on a displacement basis.

5. Line pilots who perform work under the provisions of this Supplement shall not be scheduled to exceed their IMAX. If such pilot is reassigned on any sequence during the month and exceeds their IMAX, such pilot will be treated accordance with [Section 15.N](#) of the Basic Agreement.
6. For a regularly scheduled Check Airman on a line rotation, whose PROJ exceeds that pilot's IMAX, as a result of a reassignment, the Company must reduce the Check airman's PROJ to or below that pilot's IMAX. Such reduction will be accomplished in accordance with [Section 15.N](#) of the Basic Agreement. It is expected that any Check Airman who has not yet met the annual requirement for 73 hours of proficiency flying will go into make up. Such Check Airman may do make up flying provided:
 - a. Any make up flying is performed for proficiency flying only.
 - b. Such flying does not include any Check Airman functions or duties.
 - c. The applicable monthly maximum plus five hours is not exceeded.
7. Work performed by line pilots under the provisions of this Supplement is restricted to a percentage of all active Check Airmen as follows:
 - a. The amount of Monthly Check Airman Work Days (MCAWD) in a contractual month will be calculated by multiplying the total number of active Check Airmen for that month times sixteen (16) days. The amount of Monthly Check Airman Work Hours (MCAWH) in a contractual month will be calculated by multiplying the total number of active Check Airmen for that month by eighty-three (83) hours. The MCAWH should be accumulated monthly to arrive at a total of Yearly Check Airman Work Hours (YCAWH).
 - b. The number of Monthly Supplement O Line Pilot Work Days (MLPWD) will be divided by the MCAWD to get a percentage of work days performed. The number of Monthly Supplement O Line Pilot Work Hours (MLPWH) will be divided by the MCAWH to get a percentage of work hours performed. The percentage of work performed by line pilots under this agreement cannot exceed twelve percent (12%) of either the MCAWD or MCAWH in any given month.
 - c. The MLPWD will be converted to hours by multiplying by five hours and eleven minutes (5:11) per day and comparing this figure to the MLPWH for that month. Tabulate the greater figure each month and total this figure for the year (YLPWH).
 - d. At the end of the year, the total Yearly Line Pilot Work Hours (YLPWH) performed under this agreement cannot exceed nine percent (9%) of the total Yearly Check Airman Work Hours (YCAWH).
8. IOE work hours performed in a calendar quarter by line pilots under this agreement is restricted to twenty five percent (25%) of the total IOE hours for the quarter. IOEs performed by regularly scheduled Check Airman on a line rotation shall not count towards the twenty five percent (25%) restriction.
9. Supplement O pilots will be paid at the rate of fifteen (15) dollars an hour in addition to the pilot's applicable pay rates for the first thirty-five (35) hours of Supplement O flying and an additional ten (10) dollars an hour for the next thirty five (35) hours. A [Supplement O](#) pilot's additional pay cannot exceed eight hundred seventy-five (875) dollars in any contractual month and will be paid over and above the pilot's computed monthly pay. Check Airmen performing [Supplement O](#) work during a regularly scheduled line rotation are excluded from receiving this additional pay.
10. The Company will provide APA with the following reports in electronic format:
 - a. A monthly report of the work accomplished under [Supplement O](#) (in days and hours) and the percentage of the active Check Airmen's work.
 - b. A monthly report on the cumulative percentage of active Check Airman work performed by [Supplement O](#) pilots.
 - c. An annual report showing the total percent of active Check Airman work performed by [Supplement O](#) pilots for the year.
 - d. An annual roster of [Supplement O](#) pilots.

- e. A quarterly report showing (1) the total of all IOE work hours performed and (2) the total IOE hours performed by line pilots under this Supplement.

This Agreement shall run concurrently with the Basic Agreement and subject to the provisions of [Section 26](#) thereof.

In witness whereof, the parties hereto have signed this Agreement this the 7th day of August, 1998.

WITNESS:

J. C. Russell
V. C. Every
T. M. Vaughn
R. P. Kudwa
P. R. Barry
J. A. LaMorte

FOR AMERICAN AIRLINES, INC.

/signed/
Sue Oliver
Vice President
Employee Relations

/signed/
C. D. Ewell
Vice President - Flight and Chief Pilot

WITNESS:

M. R. Mellerski
D. F. Carey
J. E. Darrah
G. L. Schafer
L. P. Turcotte

FOR THE AIR LINE PILOTS
IN THE SERVICE OF
AMERICAN AIRLINES, INC.
AS REPRESENTED BY
THE ALLIED PILOTS ASSOCIATION

/signed/
R. T. LaVoy
President

SUPPLEMENT P

May 5, 1997

James G. Sovich
President
Allied Pilots Association
P.O. Box 5524
Arlington, TX 76005-5524

International Crew Bases

Dear Captain Sovich:

This will confirm our agreement that the Company may not establish a pilot base outside the continental limits of the United States without first reaching agreement with APA on any supplemental provisions and/or exceptions to the Basic Agreement which the parties agree are appropriate for the establishment and operation of such base.

Very truly yours,

/signed/
Jane G. Allen
Vice President
Employee Relations

Agreed:

/signed/
James G. Sovich
President
Allied Pilots Association

SUPPLEMENT Q

January 1, 2013

Keith Wilson, President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, TX 76155-2512

International Crew Use Seats

Dear President Wilson:

This letter supersedes Letter of Agreement 05 - 04 and Supplement Q dated May 1, 2003 and confirms our agreement regarding International Crew Use Seats effective as of date of this letter.

The Company and the Association will meet to ensure compliance with 14 CFR Part 117 and DOT Advisory Circular No. 117-1 dated 9/19/2012. Rest seats shall be selected to provide optimum conditions for rest and the specific seat(s) designated for each aircraft and configuration type shall be mutually agreed by the parties. Crew rest seat(s) for rest purposes on flights requiring an augmented pilot(s) shall be based on the following criteria:

1. When cabin seats are designated for rest purposes, they shall be provided in Business Class or, if there is no designated Business Class cabin, in the forward most cabin.
2. If there is a dedicated crew rest facility that includes bunks and two (2) crew rest seats, no cabin seats will be provided.
3. If there is a dedicated crew rest facility that includes bunks and one (1) crew rest seat, no cabin seat will be provided if only one augmented pilot is required. If a second augmented pilot is required, one (1) Business Class seat will be provided.
4. If there is a dedicated crew rest facility that includes bunks but no crew rest seats, one Business Class seat shall be provided for each augmented pilot. On an aircraft by aircraft basis, for the B777-200 only, the Company will continue to provide crew rest seats in First Class until such time as the specific B777-200 aircraft is reconfigured into a two-class configuration.
5. If there is no dedicated crew rest facility provided:
 - a. If the Business Class seating configuration provides for a single non-adjoining seat, that seat shall be assigned to the cockpit crew for rest purposes.
 - b. If the Business Class configuration provides for adjoining seats, and the scheduled flight leg in question includes any flying between the hours of 2300 and 0559 HBT, two (2) adjoining seats shall be assigned to the cockpit crew for rest purposes.
 - c. If the configuration provides for adjoining seats, and the scheduled flight leg in question does not contain any flying between the hours of 2300 and 0559 HBT, one seat shall be assigned to the cockpit crew for rest purposes. The adjoining seat shall be "blocked", but may be assigned to a passenger as the last seat assigned in the forward cabin.
 - d. The provisions of b. and c. above shall not apply to any aircraft on which Business Class has been reconfigured such that one business class seat meets the requirement of 14 CFR Part 117 and DOT Advisory Circular No. 117-1 dated 9/19/2012.
6. On single aisle aircraft where there is a requirement for an augmented pilot, two adjoining seats shall be provided if the seating configuration provides for two adjoining seats.

Sincerely,

/signed/
Dennis A.Newgren
Managing Director, ER, Flight

SUPPLEMENT R

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SUPPLEMENT S

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SUPPLEMENT T

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SUPPLEMENT U

AGREEMENT
Between
AMERICAN AIRLINES, INC.
And
THE AIR LINE PILOTS
In service of
AMERICAN AIRLINES, INC.
As represented by the
ALLIED PILOTS ASSOCIATION

LOS ANGELES (LAX) SUPPLEMENTAL FLYING

American Airlines, Inc. (the "Company") and the Allied Pilots Association (the "Association") agree that flying allocated to the Company's Los Angeles ("LAX") crew base may be supplemented by certain flying which originates and terminates at San Diego's Lindbergh Field ("SAN") as provided in this agreement. The provisions of this agreement are intended to supplement and make certain exceptions to the AA/APA Basic Agreement with respect to such supplemental flying. The parties agree that the provisions of the AA/APA Basic Agreement shall apply to such supplemental flying, except as provided in this agreement, and that in the event of a conflict the provisions of this agreement shall apply.

A. General

1. At any time either the Association or the Company may unilaterally terminate this agreement by providing written notice to the other party.
2. If terminated by either party, the Company must cease using SAN flying to supplement LAX flying no earlier than one month and no later than three months following the written notice of termination.
3. In any event, the termination of this agreement must coincide with the last day of a contractual month.
4. This agreement shall not serve nor be cited as a precedent with regard to any other matter including current or future discussions or agreements concerning existing, proposed or future satellites, co-terminals or crew bases.

B. Definitions

1. SAN Flying: Any flying supplemental to flying at the LAX crew base and which originates and terminates at SAN in accordance with this agreement.
2. SAN Trip Sequence: A trip sequence which originates and terminates at SAN with no ground deadhead as either the first or last segment of the sequence.
3. LAX Regular Reserve ("RR") - A reserve pilot responsible for open time coverage at LAX, SNA, LGB and ONT.
4. SAN Reserve ("SR") - A reserve pilot responsible for open time coverage at SAN, LAX, SNA, LGB and ONT.
5. Regular Reserve Volunteer ("RRV") - A LAX Regular Reserve (RR who also volunteers to be responsible for open time coverage at SAN).

C. Bid Status Restrictions

1. SAN flying may only be made available to the following LAX bid status:
 - a. Captain S80 Domestic
 - b. First Officer S80 Domestic
 - c. Captain 767/757 Domestic

- d. First Officer 767/757 Domestic
 - e. Captain 737 Domestic
 - f. First Officer 737 Domestic
2. This agreement may be extended to cover other bid status only by mutual agreement between the parties.

D. Flying Limitations

1. 1. Regular trip selections allocated to SAN may not exceed the following limitations:
 - a. a.S80 Domestic - 15 Captain and 15 First Officer selections
 - b. b.767/757 Domestic - 15 Captain and 15 First Officer selections
 - c. 737 Domestic – 15 Captain and 15 First Officer selections
2. Reserve trip selections allocated to SAN (SR) may not exceed 25% of the total reserve selections allocated to the entire LAX operation (SAN + LAX). This constraint shall not limit the Company's ability to cover open SAN trips with RRV or RR pilots as provided in this Letter of Agreement.
3. These limitations may only be increased by mutual agreement between the parties.

E. Eligibility for Trip Selection Awards and Assignments

1. All pilots in the appropriate LAX bid status may bid for SAN trip selections (regular, reserve, secondary and relief).
2. Pilots awarded SAN selections shall be responsible for their own transportation to and from SAN.
3. A pilot in a bid status covered by this agreement who fails to submit a trip selection bid or who fails to bid for a sufficient number of selections shall not be assigned a SAN selection (regular, reserve, secondary or relief).
4. If a pilot is assigned a SAN selection because there are insufficient bidders, the pilot may elect to drop the SAN assignment and serve as a LAX regular reserve (RR) as provided below.

F. Regular Schedule Trip Selections

1. All SAN trip sequences must originate and terminate at SAN with no ground deadhead as either the first or last segment of the sequence.
2. SAN trip selections may contain one (1) of the following combinations: one (1) trip sequence for each trip selection may originate and terminate at Santa Ana (SNA), or one (1) trip sequence may originate and terminate at Long Beach (LGB), or one (1) trip sequence may originate and terminate at Ontario (ONT), or one (1) trip sequence may originate and terminate at Los Angeles (LAX).
3. Any SAN trip sequence which cannot be included in a SAN regular trip selection shall be included in a secondary selection as provided in G. below or placed in open time.

G. Secondary Trip Selections

1. Any SAN secondary trip selection that may be constructed shall:
 - a. Contain only SAN trip sequences, or
 - b. Contain only SAN trip sequences and no more than one trip sequence which both originates and terminates at SNA, ONT or LGB, with no ground deadhead.

2. SAN and LAX trip sequences shall not be combined in a secondary selection.
3. A pilot who is awarded or assigned a secondary trip selection, which contains SAN flying, may elect to drop the entire secondary selection and serve as a LAX regular reserve (RR) on the reserve selection associated with the secondary selection.
 - a. Guarantee shall be the reserve guarantee applicable to the pilot's bid status.
 - b. The pilot must notify the Company before the end of the month in accordance with the procedures specified on the bid sheet (deadline date phone contact, etc.)

H. Relief Trip Selections

1. Relief trip selections shall be constructed in the normal manner.
2. A pilot who is assigned a full month relief selection which contains regular scheduled SAN flying may elect to drop such flying and be assigned a LAX regular reserve (RR) selection for the entire month.
 - a. Guarantee shall be the reserve guarantee applicable to the pilot's bid status.
 - b. The RR selection assigned shall be the same as that of the next most senior pilot awarded an RR selection or, if there is none, the next least junior pilot awarded an RR selection.
3. A pilot who is assigned a full month relief selection that contains SAN reserve coverage may elect to convert the entire selection to a LAX regular reserve (RR) selection.
 - a. Duty free periods (DFP's) in the RR selection shall be the same as in the relief selection.
 - b. Guarantee shall be the reserve guarantee applicable to the pilot's bid status.
4. A pilot who is awarded or assigned a split relief in which the non-controlling portion contains regular scheduled SAN flying or SAN reserve coverage may elect to drop the SAN portion of the selection and serve as a LAX regular reserve (RR) for that portion of the month.
 - a. Prorated reserve guarantee applicable to the pilot's bid status shall apply to that portion of the month converted to RR.
 - b. All DFP's in the original relief selection shall be retained and the Company shall add DFP's if necessary to provide the minimum number required by the ,&A/APA Basic Agreement.

5. A pilot electing to drop a SAN award or assignment as provided in 2., 3. or 4., above must notify the Company prior to the construction of secondary trip selections in accordance with the procedures specified on the bidsheet (deadline date, phone contact, etc.)

I. I.Reserve Selections

1. Each month a number of SAN reserve (SR) selections shall be designated on the LAX bid sheet for each bid status covered by this agreement.
2. SR selections shall be responsible for open time coverage at SAN, LAX, SNA, LGB and ONT.
3. The minimum number of SR selections shall be calculated in accordance with [Section 17.X.1.d](#) of the AA/APA Basic Agreement.
4. All reserve selections not designated as SR shall be designated as LAX regular reserve (RR) selections and shall be responsible for open time coverage at LAX, SNA, LGB and ONT, but not SAN.
5. If a pilot is assigned an SR selection because there are insufficient bidders, the pilot may convert the SR selection to an RR selection with the same DFP's as the SR selection.
6. All SR and RR selections shall be constructed in accordance with [Section 15.D.4.](#) and [15.J.13](#) of the AA/APA Basic Agreement.
7. A pilot with an RR selection may volunteer at any time (using an HISAN computer entry in personal mode) to also be responsible for open time coverage at SAN.
 - a. pilots who volunteer are designated as regular reserve volunteers (RRV) and must remain available for SAN coverage for the balance of the month.
 - b. In the filling of open time at SAN, there shall be no distinction between SR and RRV pilots.

J. Filling of Open Time

1. Except as provided in 2., 3., and 4, below, for purposes of covering open time, SAN shall be treated as a separate base (e.g., an open SAN trip [sequence shall require deadheads to and from SAN at the beginning and end of the sequence in order to cover the sequence as Temporary Duty - One Trip Sequence Only [[Section 15.M.5.](#) of the AA/APA Basic Agreement]]).
 - a. SR and RRV reserves and pilots who hold a SAN trip selection shall be treated as if based at SAN.
 - b. For other LAX based pilots, SAN shall be treated as a separate base.
2. Pick-Up Flying
 - a. For purposes of pick-up flying, all SAN and LAX open trip sequences shall be proffered to all LAX based regular schedule pilots regardless of whether they are holding a SAN or LAX trip selection.
 - b. Pilots who accept SAN open flying shall be responsible for their own transportation to and from SAN. The deadheads to and from SAN as referenced in 3. below shall not apply.
3. Inverse Assignment

For purposes of Inverse Assignments [Section 15.L.4.h](#) of the AA/APA Basic Agreement), there shall be no distinction among LAX based pilots. A pilot assigned a trip sequence that includes deadheads to and from SAN at the beginning and end of the sequence shall be paid and credited for the entire sequence. Pilots assigned such sequences may, at their option, elect to provide their own transportation to and from SAN.
4. a. SR and RRV reserves who are not required to cover SAN open sequences shall be eligible and may be used, in accordance with [Section 15.L](#) of the AA/APA Basic Agreement, to cover LAX open trip sequences based on their seniority within their LAX bid status.

- b. Pilots holding SAN trip selections shall be eligible and may be sued in accordance with [Section 15.L](#) of the AA/APA Basic Agreement, to cover LAX open trip sequences (e.g., reassignment, etc.) based on their seniority within their LAX bid status.
- c. SR, RRV and pilots holding SAN trip selections who cover LAX trip sequences shall be responsible for their own transportation.

K. Trip Trade with Open Time

- 1. Any LAX based pilot may use all the provisions of the Trip Trade with Open Time system, including trades involving SAN trip sequences.
- 2. Pilots who trade for SAN trip sequences shall be responsible for their own transportation to and from SAN.

L. Administrative Support / Parking

I All aspects of administrative support shall be provided in accordance with [Section 24.P](#) (Crew Base Support) of the AA/APA Basic Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 24th day of October, 2000.

FOR THE AIRLINE PILOTS FOR AMERICAN AIRLINES, INC.
IN THE SERVICE OF
AMERICAN AIRLINES, INC.
AS REPRESENTED BY THE
ALLIED PILOTS ASSOCIATION

/signed/ /signed/

Captain Richard T. LaVoy Sue Oliver

President Vice President Employee Relations

SUPPLEMENT V

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SUPPLEMENT W

SUPPLEMENTAL
AGREEMENT
between and among
AMERICAN AIRLINES, INC.
and the
AIRLINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
THE ALLIED PILOTS ASSOCIATION
AND
AMR EAGLE, INC.
EXECUTIVE AIRLINES, INC.
FLAGSHIP AIRLINES, INC.
SIMMONS AIRLINES, INC.
WINGS WEST AIRLINES, INC.
and the
AIR LINE PILOTS
in the service of
EXECUTIVE AIRLINES, INC.
FLAGSHIP AIRLINES, INC.
SIMMONS AIRLINES, INC.
WINGS WEST AIRLINES, INC.
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

American Airlines Employment Opportunities and Furlough Protection

THIS LETTER OF AGREEMENT is made and entered into by, between, and among AMERICAN AIRLINES, INC., and the pilots in the service of AMERICAN AIRLINES, INC., as represented by the ALLIED PILOTS ASSOCIATION, and AMR EAGLE, INC., EXECUTIVE AIRLINES, INC., FLAGSHIP AIRLINES, INC., SIMMONS AIRLINES, INC., and WINGS WEST AIRLINES, INC., and the pilots in the service of EXECUTIVE AIRLINES, INC., FLAGSHIP AIRLINES, INC., SIMMONS AIRLINES, INC., and WINGS WEST AIRLINES, INC., as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL.

A. Preamble

- a. This Supplemental Agreement governs American Airlines, Inc. ("AA") employment opportunities for a pilot employed at any commuter carrier (or its successor) which is majority owned by AMR Eagle, Inc., or any successor(s) to AMR Eagle, Inc. (hereinafter referred to as "AMR Eagle, Inc."). All commuter carriers which are majority owned by AMR Corp. or an affiliate shall be operated within AMR Eagle, Inc. and shall be governed by this Supplemental Agreement.
- b. This Supplemental Agreement also governs employment opportunities at AMR Eagle, Inc. for furloughed AA pilots.
- c. This Supplemental Agreement supplements and makes certain exceptions to the Basic Agreements between the parties. The provisions of the Basic Agreements will continue to apply, except as modified herein and, in the event of a conflict, the provisions herein shall apply.
- d. To the extent that any provision of this Supplemental Agreement requires that any specific pilot(s) of any AMR Eagle, Inc. carrier(s) be identified by those carriers, the mechanism for identifying such pilot(s) shall be effected by separate agreement(s) among the Air Line Pilots Association, International ("ALPA"), AMR Eagle, Inc., and the AMR

Eagle, Inc. carriers. However, any such agreement(s) must be consistent with this Supplemental Agreement.

- e. This Supplemental Agreement is being entered into as an accommodation among independent parties. The parties agree that the Supplemental Agreement may not be cited or used in any proceeding other than the proceedings described in [Section VI](#) below or in any action concerning the enforcement of the rights under this Agreement.

B. Definitions

- a. As used herein, the term “commuter jet” is synonymous with the term “regional jet” and describes turbojet aircraft with at least forty-five (45) passenger seats but not more than seventy (70) seats.
- b. As used herein, the term “CJ Captain” is synonymous with the term “RJ Captain” and describes the captain’s position on commuter jet aircraft.
- c. As used herein, the term “training freeze” is synonymous with the term “lock-in” and describes a period of restricted bidding to which a pilot is subjected as a consequence of receiving training for a bid status.

C. Employment Opportunities at AA for AMR Eagle, Inc. Pilots

- a. At least one (1) out of every two (2) new hire positions per new hire class at AA will be offered to CJ Captains who are line pilots and who have completed their IOE at AMR Eagle, Inc. Such positions will be offered to the CJ Captains who are line pilots in order of their AMR Eagle, Inc. seniority.
- b. If a CJ Captain is unable to fill a new hire position at AA in accordance with Paragraph III.A. above, due to a training freeze or other operational constraint, (see [Paragraph III.J](#) below), such CJ Captain will be placed on the AA Pilots Seniority List and will count toward the number of new hire positions. The pilot’s AA occupational seniority date and number will be established as if he were able to fill such new hire position at AA and had attended the new hire training class referenced in Paragraph III.A. above. Such pilot’s length of service for pay purposes, date of hire for pension purposes, and length of service for vacation accrual will be established in accordance with III.C. below. The number of such CJ Captains will not exceed the difference between the number of CJ Captains who are able to fill new hire positions at AA and the number of new hire positions which must be offered to CJ Captains in accordance with Paragraph III.A. above.
- c. A CJ Captain’s (1) placement on the AA Pilots Seniority List (except as provided in Paragraph III.B. above which is only applicable for placement on the AA Pilots Seniority List in order to establish an AA occupational seniority date and number), (2) length of service for pay purposes, and (3) “date of hire” for pension purposes will be based on the date such pilot is entered on the AA payroll. Such pilot’s length of service for vacation accrual will be based on the cumulative total of the pilot’s service at AMR Eagle, Inc. and AA.
- d. If a CJ Captain is placed on the AA Pilots Seniority List per III.B. above, such CJ Captain will receive priority based on his AA seniority in filling a new hire position in the next new hire class, following release from a training freeze or other AMR Eagle, Inc. imposed operational constraint. Such CJ Captains will not count toward the number of new hire positions offered to CJ Captains at AMR Eagle, Inc., under Paragraph III.A. above.
- e. Each of the first 125 AMR Eagle, Inc. pilots who successfully complete transition training as a CJ Captain must fulfill a training freeze for a period of eighteen (18) months from the date said pilot completes IOE. All other pilots who successfully complete transition training as CJ Captains must fulfill a training freeze for a period of two (2) years from the date each pilot completes IOE, unless released from such training freeze by AMR Eagle, Inc.
- f. An AMR Eagle, Inc. pilot may, not later than the completion of IOE for a CJ Captain position or at such time as the pilot is able to demonstrate hardship, elect to forfeit the opportunity to secure a position on the AA Pilots Seniority List as provided by this Supplemental Agreement. Such pilot will hereinafter be referred to as an “Eagle Rights CJ Captain,” and will not be eligible for a future new hire position at AA which may

otherwise become available under Paragraph III of this Supplemental Agreement. The existence of a hardship for this purpose shall be approved by the ALPA AMR Eagle MEC Chairman and the appropriate management official(s).

- g. A CJ Captain who is awarded a new hire position at AA will be issued the lowest seniority number at AA in the applicable new hire class, subject to AA's policy concerning the assignment of seniority numbers to new hire pilots who have previous service in other employee classifications. AMR Eagle, Inc. pilots will receive their AA seniority number in order of their seniority at AMR Eagle, Inc.
- h. A CJ Captain who accepts a new hire position at AA may bid and will be awarded a bid status vacancy based upon such pilot's AA seniority at the time of his transfer to AA. Such pilot must fulfill a one year lock-in in the bid status which is awarded or assigned. Such pilot will not be required to serve a probationary period at AA.
- i. A CJ Captain who accepts a new hire position at AA must qualify for the initial bid status position which such pilot is awarded or assigned at AA. A pilot who meets the physical requirements at his AMR Eagle, Inc. carrier will be deemed to have met the physical requirements at AA, provided that a pilot who accepts a new hire position at AA must have an FAA First Class Medical Certificate, and must not be on the disability list or the long term sick list. In addition, at the time such pilot accepts a position at AA, he must meet AA's then current criteria for future promotion to Captain at AA.
- j. A CJ Captain who accepts a new hire position at AA may be withheld from such position for operational reasons, provided the pilot is paid the greater of the rate of pay for the CJ Captain flying being performed at the applicable AMR Eagle, Inc. pay rates, or the highest equipment rate of pay for the AA bid status from which withheld up to the applicable AA monthly maximum. Such withholding will be limited to a maximum of six (6) months.

D. Furlough Protection at AMR Eagle, Inc. for Pilots Furloughed from AA.

- a. A pilot furloughed from AA may displace a CJ Captain at an AMR Eagle, Inc. carrier provided that the number of CJ Captain positions available to furloughed AA pilots will be limited to the total number of CJ Captain positions at AMR Eagle, Inc. less the number of Eagle Rights CJ Captains.
- b. A furloughed AA pilot may displace
 - (1) A CJ Captain, other than an Eagle Rights CJ Captain, who has not been awarded a seniority number at AA, in reverse order of AMR Eagle, Inc. seniority; and then
 - (2) A CJ Captain who has accepted a position on the AA Pilots Seniority List pursuant to [Paragraph III.B.](#) above, or a CJ Captain who was previously furloughed from AA, in reverse order of AA seniority.
- c. If no CJ Captain position at AMR Eagle, Inc. is available for a furloughed AA pilot, such pilot shall not have any further displacement rights at AMR Eagle, Inc. and shall be furloughed as an AA pilot, with the exception that a furloughed AA pilot who is displaced from CJ Captain status may elect either of the following options:
 - (1) Such pilot may use seniority accrued at AMR Eagle, Inc. to bid a vacancy or displace at such carrier in accordance with the applicable collective bargaining agreement provided that no AMR Eagle, Inc. pilot on the current Eagle seniority list will be furloughed as a result of this provision consistent with Paragraph IV.K. below; or
 - (2) Such pilot may relinquish his position at the AMR Eagle, Inc. carrier and will receive furlough pay due under the Basic Agreement between AA. and the Allied Pilots Association ("APA"). The rights and obligations of a furloughed AA pilot who relinquishes a position at AMR Eagle, Inc. will be the same as any other furloughed AA pilot, except that such pilot shall have a right of recall for ten years to any vacant CJ Captain position in the reverse order of displacement specified in Paragraph IV.B. above.
 - (3) When a CJ Captain who has been furloughed under Paragraph IV.C.2. above is offered, by written notice from AMR Eagle, Inc., the opportunity to return to duty as a CJ Captain and such pilot elects, by written notice to AMR Eagle, Inc., not to return to duty, such pilot forfeits the right of recall to AMR Eagle, Inc. Such pilot shall maintain

the seniority right of preference for recall to AA under the terms of the Basic Agreement between AA and APA.

- d. Eagle Rights CJ Captains are not subject to displacement by furloughed AA pilots, or any pilot who has been awarded an AA seniority number pursuant to [Paragraph III.B.](#) above.
- e. A furloughed AA pilot who accepts a CJ Captain position at AMR Eagle, Inc. and has not completed the 12 month probationary period at AA will be subject to the following provisions.
 - (1) 0 - 9 months of probation completed at AA when furloughed: the pilot shall complete the remaining months of probation at AMR Eagle, Inc.
 - (2) 10 - 12 months of probation completed at AA when furloughed: no further probation required at AMR Eagle, Inc. or AA.
 - (3) A furloughed AA pilot who fails to satisfactorily complete the probationary period at AMR Eagle, Inc. as specified above must complete the remaining months of the required AA probation period following recall to AA.
- f. The rights and obligations of a furloughed AA pilot who accepts a position as a CJ Captain will be the same as any other furloughed AA pilot, except such pilot shall not be eligible for furlough pay while employed as a pilot at AMR Eagle, Inc. and any time served as CJ Captain will not be counted against the 10 year duration of such pilot's right to reemployment at AA.
- g. A furloughed AA pilot's seniority for bidding purposes at AMR Eagle, Inc. will be based on length of service at AMR Eagle, Inc. accrued following furlough from AA. Such pilot's length of service for pay and benefit purposes shall be the combined length of service at AA and length of service at AMR Eagle, Inc. accrued following furlough from AA. The only pilot who can displace a furloughed AA pilot from the position of CJ Captain is a more senior furloughed AA pilot.
- h. In the event of a reduction in the number of CJ Captain positions at AMR Eagle, Inc., displacements from CJ Captain status will be in the following order:
 - (1) A CJ Captain who has not been awarded a seniority number at AA, in reverse order of AMR Eagle, Inc. seniority; and then
 - (2) A CJ Captain who has been awarded a position on the AA Pilots Seniority List pursuant to Paragraph III.B. above, or a CJ Captain who was previously furloughed from AA, in reverse order of AA seniority; and then
 - (3) An Eagle Rights CJ Captain, in reverse order of AMR Eagle, Inc. seniority.
- i. If a CJ Captain on furlough from AA declines a recall to AA, such pilot's position at AMR Eagle, Inc., including such pilot's position as a CJ Captain, will from that time on for all purposes be based solely on the pilot's seniority with AMR Eagle, Inc. accrued following furlough from AA.
- j. A CJ Captain who accepts a recall to AA may be withheld from such vacancy, provided the pilot is paid the greater of the rate of pay for the CJ Captain flying being performed at the applicable AMR Eagle, Inc. pay rates, or the highest equipment rate of pay for the AA bid status from which withheld up to the applicable AA monthly maximum. Such withholding will be limited to a maximum of six (6) months.
- k. No Executive Airlines, Inc. pilot with a seniority number greater than G.A. Cruz's (#200), hired 3/19/97, and no Flagship Airlines, Inc. pilot with a seniority number greater than E.L. Kelley's (#552), hired 6/27/94, and no Simmons Airlines, Inc. pilot with a seniority number greater than M.E. Waggoner's (#829), hired 4/21/97, and no Wings West Airlines, Inc. pilot with a seniority number greater than D.B. Seay's (#414), hired 4/7/97, will be furloughed as a result of a furloughed AA pilot displacing into a CJ Captain position. This number will be reduced in the event that an airline operating entity of AMR Eagle, Inc., is no longer a part of AMR Eagle, Inc. (the "Disposed Operation"). In such event, the number of pilots who will not be furloughed at AMR Eagle, Inc. will be reduced by a number which equals the greater of (1) the number of AMR Eagle, Inc. pilots employed at the Disposed Operation on the date of this Supplemental Agreement, or (2) the number of pilots employed at the Disposed Operation on the effective date of the transaction which separates the Disposed Operation from AMR Eagle, Inc. Furlough protections provided

by this paragraph will be applicable for a period of five (5) years from the date of this Supplemental Agreement, at which time furlough protection as provided by this paragraph will be extended to all the pilots who are on the AMR Eagle, Inc. system seniority list as of that date. AMR Eagle, Inc. pilots hired thereafter will not be afforded the protections of this paragraph.

- (1) If there is a reduction in the number of CJ Captains not due to an AA pilot displacing a CJ Captain, the provisions of this paragraph do not apply.

E. Reporting Requirement

- a. Six months following the effective date of this Supplemental Agreement and every six months thereafter, AA shall provide to APA, and AMR Eagle, Inc. shall provide to ALPA the information necessary to verify the employment opportunities and protections set forth in this Supplemental Agreement.

F. Dispute Resolution Procedures

- a. The parties to the Dispute Resolution Procedures will be AA, APA, ALPA, and AMR Eagle, Inc. (individually and as representative of Executive Airlines, Inc., Simmons Airlines, Inc., Flagship Airlines, Inc., and Wings West Airlines, Inc., and any other commuter carriers which are majority owned).
- b. The parties agree to arbitrate any grievance alleging a violation of this Supplemental Agreement on an expedited basis directly before a single neutral arbitrator jointly selected by all the parties. The jurisdiction of the neutral shall be limited to disputes involving the interpretation or application of this Supplemental Agreement.
- c. Any grievance concerning the interpretation or application of this Supplemental Agreement shall be stated in writing and set forth a full and complete statement of the facts, and it shall be served upon all of the other parties. During the course of the next fourteen (14) days after receipt of service by all parties, the parties shall meet and confer for the purpose of seeking to resolve the dispute. If all of the parties are unable to resolve the dispute to all parties' satisfaction, any party may submit the dispute, in writing, to the neutral by service of such submission upon the other parties within thirty (30) days thereafter. All of the parties shall convene for a hearing on the first hearing dates offered by the neutral selected by the parties. The hearing shall be completed within sixty (60) days, and the briefs, if any, shall be submitted to the neutral within seven (7) days of the close of the record and receipt of the transcript. The neutral shall render a written opinion and award no later than thirty (30) days after the conclusion of the hearing. The time limits may be extended by mutual agreement of the parties.
- d. All of the parties agree to establish a list of five (5) neutrals as a permanent panel of arbitrators to resolve disputes over the interpretation and application of this Supplemental Agreement. AA, AMR Eagle, Inc., ALPA and APA may each sequentially strike a name from this list, and the remaining neutral shall hear and decide the dispute. The order of striking will be determined by lot. The neutral's decision on any matter within his jurisdiction may be enforced in federal court against any and all parties pursuant to the Railway Labor Act, as amended.

G. Duration

- a. This Supplemental Agreement shall be effective on signing and shall continue in full force and effect through the later of:
 - (1) The amendable date of the next ensuing Basic Agreement between AA and APA.
 - (2) Ten (10) years from the date of signing of this Supplemental Agreement, at which time this Supplemental Agreement shall become null, void and of no further force and effect.
- b. Prior to the later of Paragraph VII.A.1. or VII.A.2. above, the parties will meet and confer regarding their desire, if any, to perpetuate this Supplemental Agreement for a further period of time; provided, however, that the fact that such discussions are ongoing will not extend the duration of this Supplemental Agreement. In the event that this Supplemental Agreement terminates, then all other provisions of the collective bargaining agreements between AA and APA, and AMR Eagle, Inc. and ALPA remain in full force and effect.

IN WITNESS WHEREOF, the parties have signed this SUPPLEMENTAL AGREEMENT this 5th day of May 1997.

For American Airlines, Inc. For the Allied Pilots Association

/signed/
Jane G. Allen
Vice President
Employee Relations

/signed/
James G. Sovich
President

For AMR Eagle, Inc. For the Air Line Pilots
Association

/signed/
Dan Garton
President

/signed/
J. Randolph Babbitt
President

/signed/
T.R. Del Valle, President
Executive Airlines, Inc.

/signed/
Homer H. Pugh, Jr.
Chairman, AMR EGL-MEC

/signed/
David Kennedy, President
Flagship Airlines, Inc.

/signed/
Ralph Richardi, President
Simmons Airlines, Inc.

/signed/
Robert Cordes, President
Wings West Airlines, Inc.

SUPPLEMENT X

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SUPPLEMENT Y

SUPPLEMENTAL AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
ALLIED PILOTS ASSOCIATION

The following statements constitute procedures which are part of the Flight Department policies with regard to Flight Crewmember training:

- A.** A pilot prior to being assigned as an aircraft Flight Instructor will have a minimum of 500 hours line experience as pilot in command on AAL. In addition such pilot shall have a minimum of 100 hours (reducible with landing credits to a minimum of seventy-five (75) hours) as pilot in command on the type of aircraft on which serving as a Flight Instructor. For a period of one year after the introduction into line service of a new aircraft type, either newly certificated or heretofore not operated by AAL, the 100 hour pilot in command provisions shall not apply.
- B.** Supervisory pilots who are assigned to conduct any portion of the aircraft Operating Experience (OE) program will have a minimum of 500 hours as pilot in command on American Airlines. Supervisory pilots with less than 500 hours as above may perform all other supervisory pilot functions including requalification requirements, line checks, navigation checks, division and route requirements, etc., providing that such pilots have advanced in category in accordance with [Sections 13](#) and [17.O](#) of the Basic Agreement. Supervisory flying, as contained in [Section 6.C](#), will be performed within category by pilots who have qualified in turn to such category.
- C.** Each pilot serving as an aircraft Flight Instructor shall be rotated to line flying for one calendar month during each twelve month period of service as a Flight Instructor. The Company may, at its option, substitute the documented equivalent of 73 displacement line flying hours - including pay and credit - in lieu of the one month of line rotation. The Association shall be advised, in writing, of the names of such personnel prior to their rotation.
- D.** A Flight Instructor rotating to flying at the base where a bid status was last held, shall be entitled to a trip selection award in seniority at such base, as though bid status was held.
- E.** The trips flown by such rotating Flight Instructors shall, irrespective of any other provisions of this Agreement, be selected on the basis of their own seniority or, if selected at a base other than the base where they last held a bid status, be selected on the basis of their own seniority or the seniority of the pilot who is to serve as their replacement during such month, whichever is the lesser.
- F.** The Company may replace such rotating Flight Instructors with regular line pilots from that crew base. The Association shall be advised, in writing, of the names of such pilots.
- G.** Rotating Flight Instructors may not be displaced from any assigned trips by supervisory pilots.
- H.** Except for the purpose of maintaining or re-establishing 90-day Takeoff/Landing Currency, an American Airlines cockpit crewmember will not be scheduled for simulator training (including briefing and debriefing) between the hours of 0045 and 0530. The scheduling of simulator time for 90 day Takeoff/Landing currency will only be scheduled when no other four (4) hour period outside of the hours of 0045 and 0530 is available for such purpose. For the purposes of Check Airman assignment, a maximum of two (2) sessions will be scheduled and will be considered as a single day of work for scheduling and pay purposes. No more than two (2) pilots will be scheduled for each of the two (2) sessions. In the event it becomes necessary to deviate from this Company policy it will only be done because of very unusual circumstances and the reasons therefore will be made known to the Association.

- I.** 1. All aircraft flight training shall be scheduled during daylight hours (daylight hours as used herein shall be as defined in FAR), provided that FAR required night training and/or aircraft requalification which consists solely of normal take-offs/landings may be accomplished at night except during the hours of 2400 local to local daylight. When FAR night landings are required departure one hour prior to local daylight may be scheduled.

2. Initial upgrade first officers will be scheduled to receive FAR required aircraft training maneuvers during daylight hours, except for FAR required night training.

3. In the event it becomes necessary to deviate from this Company policy it will only be done because of very unusual circumstances and the reasons therefore will be made known to the Association.
- J.** 1. In transition training no more than two breaks will be allowed wherein a crewmember can be returned to line flying. One break between ground school and simulator and one break between simulator and flight training.

2. When, following simulator training, a rating ride must be taken in an aircraft and such rating ride constitutes the sole use of an aircraft in such training program, such rating ride will normally be considered a continuation of simulator training. However, a break between simulator training and the rating ride may occur as a result of the unavailability of an aircraft, simulator, check airman, or FAA examiner. Such break shall, however, not be permitted for the sole purpose of returning a pilot to line flying after the completion of simulator training but before the rating ride.

3. In the event it becomes necessary to deviate from this Company policy it will only be done because of very unusual circumstances and the reasons therefore will be made known to the Association.
- K.** AAL cockpit crewmembers training requirements will be given first priority and preference for training periods over outside contract training requirements.
- L.** 1. Every effort will be made to promote and maintain the "crew concept" of training by AAL.

2. During any simulator training period no contract training will be conducted simultaneously at any other crew position unless that trainee is being trained using AA procedures to AA standards and is fluent in the English language. FAA monitoring of training which is not meeting the "crew concept" objective in any crew position shall cause such simultaneous contract training period to cease.

3. During any aircraft training period no contract training will be conducted in either pilot seat unless AA crewmembers aboard are afforded the opportunity to deplane. Contract training at the flight engineer panel will be permissible only when accomplished under the direct and constant supervision of a qualified AA instructor and the trainee is using AA procedures and is fluent in the English language.
- M.** The Company will notify the training committee of APA whenever any major changes to the training programs are proposed that require FAA approval.
- N.** 1. No more than two pilot trainees and two flight engineer/flight officer trainees will be assigned to aircraft training flights.

2. Requalification flights conducted in a no hazard configuration with all engines operating to fulfill the three take-off/landing requirement may carry up to 4 pilot crewmembers. If there is a provision to deplane, and pilot crewmembers at their option decide to deplane, pilot crewmembers over a maximum of two will be deplaned.

3. In the event it becomes necessary to deviate from this Company policy it will only be done because of very unusual circumstances and the reasons therefore will be made known to the Association.
- O.** If the deadhead trip on which a pilot is scheduled to return to base terminates at a co-terminal other than the original airport of departure, there shall be added one (1) hour to the on-duty period for the purpose of allowing such pilot to return to the original airport of departure.

However, this hour shall not be construed to be a part of the on-duty period as specified in Section [6.D.6.k. l. or m.](#)

- P.** A crewmember who has completed training at CLT Training Center, GSW, or PHX Training Center will have a minimum of one hour (1:00) between the completion of the training period and scheduled departure of the deadhead trip to return to base. Crewmembers who, through no fault of their own, miss their scheduled trip to base will be pay protected on the basis of their actual arrival at their base.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 30th day of January, 2015.

FOR THE AIRLINE PILOTS IN THE
SERVICE OF AMERICAN AIRLINES, INC.
AS REPRESENTED BY THE
ALLIED PILOTS ASSOCIATION

FOR AMERICAN
AIRLINES, INC.

/signed/
Captain Keith Wilson
President

/signed/
Beth Holdren
Managing Director Labor Relations - Flight

SUPPLEMENT Z

SUPPLEMENTAL AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
ALLIED PILOTS ASSOCIATION

TERRORISM, SABOTAGE, MISSING, INTERNMENT, PRISONER OR HOSTAGE BENEFITS

A. DEATH, PERMANENT TOTAL DISABILITY, AND DISMEMBERMENT BENEFITS

In the event of

- (i) the death of a pilot, or
- (ii) the permanent and total disability of a pilot, or
- (iii) the loss by a pilot of sight of both eyes, or the loss of both hands, or both feet, or one hand and one foot, or one hand and sight of one eye, or one foot and sight of one eye,

resulting from injury or illness incurred during acts of terrorism or sabotage or while interned, missing, or a prisoner or hostage, whether as a result of war, armed hostilities, rebellion, insurrection, hijacking, other terrorist act, hostile or military action of any government, or any other reason related to such hostilities:

the Company shall pay or cause to be paid, subject to the conditions set forth in C. and D. below, five hundred thousand dollars (\$500,000) to such pilot if he is alive, otherwise to his designated beneficiary under the Company's Group Insurance Plan. "Permanent total disability" shall mean the complete inability of the pilot to exercise his/her airmen certificate for at least one (1) year, and at the end of said period, the expectation to be that the disability shall continue for the remainder of the pilot's life. "Loss", with respect to hands and feet, shall mean actual severance through or above the wrist or ankle joints; with respect to eyes, shall mean entire and irrecoverable loss of sight. In the event the pilot becomes eligible for benefits under more than one (I) of the eventualities cited above, the maximum payment under this Section shall be five hundred thousand dollars (\$500,000), and such benefits shall be in addition to the benefits provided in other Company plans.

In addition to the death benefit provided above, the Company will subsidize up to 33 months of COBRA continuation of coverage at a Company-paid fifty percent (50%) subsidy of the cost of COBRA medical coverage for covered dependent(s). This period shall begin with the earlier of:

- 1. conclusion of 24 months of medical coverage provided in F. below; or
- 2. the establishment of death

Such coverage shall run consecutive, not concurrent, to the coverage provided in paragraph F, below. This COBRA continuation of coverage is subject to all rules and provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended from time to time.

B. OCCUPATIONAL DISABILITY BENEFITS

In the event an illness or injury, which arises out of or is suffered in connection with acts of terrorism, sabotage, hostage, or a hostile or military action by any government while on flight duty or paid layover, results in the occupational disability of a pilot, the Company shall pay for the period of disability, up to a maximum of twelve (12) months, the minimum guarantee for the pilot's

bid status (no less than the average of Long Call and Short Call Reserve guarantee), subject to the conditions set forth in C. and D hereof. Such payments will be less weekly indemnity benefits received under applicable Workers Compensation Laws. Notwithstanding the provisions of [Section 14](#) of the Basic Agreement, such pilot will not be charged sick leave during such twelve (12) month period.

C. APPLICABILITY

The provisions of A. and B. above shall be applicable to a pilot only when such casualty occurs during the period of time that such pilot is on flight duty or paid layover.

D. EXCLUSIONS

1. The provisions of A. and B. above, and F. below shall not be applicable to a pilot when death or injury, as applicable:
 - a. is the result of or consists of addiction to drugs, or
 - b. is contracted, suffered or incurred while such pilot was engaged in a criminal enterprise or results from having engaged in a criminal enterprise, or
 - c. is intentionally self-inflicted.
2. The disability exclusion set forth in Section III.O.(5) of the 2012 Pilot Long Term Disability Plan, shall not apply to a pilot flying an International Sequence for a disability resulting from such assignment.

E. WORKERS COMPENSATION BENEFITS

A pilot will be covered for Workers Compensation benefits in amounts not less than those prescribed by the state in which such pilot's base is situated. These benefits shall be in addition to (i) any basic or optional life insurance benefits available under the Company's Group Insurance Plan, (ii) the death benefits provided under the Company's Pilot Retirement Benefit Plan and (iii) the death benefits provided under A., above.

F. MISSING, INTERNMENT, PRISONER OR HOSTAGE BENEFITS

1. A pilot who is missing, whether as a result of terrorism, sabotage, war, armed hostilities, rebellion, insurrection, hijacking, other terrorist act, or a hostile or military action of any government, or any other reason related to such hostilities while on flight duty or paid layover shall be paid, while missing, the average of Long Call and Short Call Reserve minimum guarantee for the pilot's bid status for a period of up to twenty-four (24) months after disappearance or until death is established, whichever first occurs. During the period the pilot is missing, such pilot(s) shall be deemed to be in active service for all purposes and accruals, including but not limited to seniority, longevity, sick leave, vacation, pension and all other benefit accruals for a period not to exceed twenty-four (24) months.
When such pilot has been missing for twenty-four (24) months, the Company will aid the beneficiary in obtaining legal proof in order that death benefits under A. above, and other Company plans (including the Pilot Retirement Benefit Plan) can be paid consistent with applicable state law.
2. A pilot who becomes or is reported to be interned or held prisoner or hostage whether as a result of terrorism, sabotage, war, armed hostilities, rebellion, insurrection, hijacking, other terrorist act or a hostile or military action by any government, or any other reason related to hostilities while on flight duty or paid layover shall be paid the average of Long Call and Short Call Reserve minimum guarantee for the pilot's bid status for the period during which the pilot is known by the Company to be interned or held prisoner or hostage. Such payments will cease, however, when death is established. In the absence of knowledge on the part of the Company as to whether the pilot is alive or dead, the pilot will be considered missing starting with the time last known to the Company to have been interned or held prisoner or hostage and will be covered under the provisions of 1., above.
3. When a pilot has been missing for a period of twenty-four (24) months, the death benefits provided under A. above shall be paid and/or provided. If such pilot is later found to be alive,

the average of Long Call and Short Call Reserve minimum guarantee for the pilot's bid status will be paid retroactively to the time such payments ceased, less any death benefits which were paid to the beneficiary. Any death benefits not recovered by this offset will be repaid by the beneficiary to the Company upon its demand.

4. In the event a pilot who has been interned, missing or a prisoner or hostage for twenty-four (24) months and is known to still be alive, that pilot shall be paid in accordance with paragraph 1. above. Then, for as long as the pilot continues in such status, he/she shall continue to be deemed in active service for all purposes and accruals, including but not limited to seniority, longevity, sick leave, vacation, pension and all other benefit accruals until death is established, or the pilot would otherwise be eligible for normal retirement.

G. COMPENSATION ASSIGNMENTS

1. The monthly compensation allowable under E. above to a pilot interned, held as a hostage or prisoner, or missing, shall be credited to such pilot on the books of the Company and shall be disbursed by the Company in accordance with written directions from him. The Company shall require each pilot to execute and deliver to the Company a written direction in the form hereinafter set forth. The Company shall, as soon as practicable, require all pilots to execute and deliver to the Company such a written direction. The direction referred to shall be in substantially the following form:

"To American Airlines, Inc.

"You are hereby directed to pay all monthly compensation allowable to me under the provisions of the Agreement between American Airlines, Inc. and the Air Line Pilots in the service of American Airlines, Inc., as represented by the Allied Pilots Association, while interned, held prisoner or hostage, or missing, or resulting from death or any other condition which causes direct payment to me to be impossible, as follows:

\$.....per month to.....
(Name)

.....
(Address)

as long as living, and thereafter to.....
(Name)

.....
(Address)

as long as living,

"The balance, if any, and any amounts accruing after the death of all persons named in the above designations shall be held for me, or in the event of my death before receipt thereof, shall be paid to the legal representative of my estate.

"The foregoing direction may be modified from time to time by letter signed by the undersigned and any such modification shall become effective upon receipt of such letter by you.

"Payments made by the Company pursuant to this direction shall fully release the Company from the obligation of making any further payment with respect thereto.

....."
(Pilot's Signature)

2. Any payments due to any pilot under this provision which are not covered by a written direction as above required, shall be held by the Company for such pilot and, in the event of death, shall be paid to the legal representative of his estate.
3. The monthly compensation allowable under this Section shall be in lieu of all compensation provided for by any law in respect to persons interned, held prisoner, or missing, and shall also be in lieu of all salary and subsistence during periods in which a pilot is interned, held hostage, held as prisoner, or missing.
4. Pilots shall maintain and continue to accrue seniority and longevity for pay purposes during periods in which they are interned, held hostage, held prisoner, or missing.

FOR THE AIR LINE PILOTS IN THEFOR AMERICAN AIRLINES, INC.
SERVICE OF AMERICAN AIRLINES, INC.
AS REPRESENTED BY THE
ALLIED PILOTS ASSOCIATION

/signed/
Captain Keith Wilson
President
Allied Pilots Association

/signed/
Beth Holdren
Managing Director
Labor Relations-Flight

LETTER A

April 2, 1973

Captain Nicholas J. O'Connell
President
Allied Pilots Association
2621 Avenue "E" East
Suite 208, P. O. Box 5524
Arlington, Texas 76010

Dear Captain O'Connell:

This will confirm my statements to you that any telephonic recording system installed at any crew base after April 2, 1973 shall be installed by mutual agreement between American Airlines and the Allied Pilots Association.

The domicile chairman at each base shall be afforded access to the tapes developed through such recording system. Such tapes may be heard during regular business hours by request to the Base Manager/Superintendent-Flying or the Area Manager Flight.

Very truly yours,

/signed/
C. A. Pasciuto
Vice President
Personnel

Agreed to:

/signed/
Nicholas J. O'Connell
President
Allied Pilots Association

Date: 44/2/73

LETTER B

May 1, 2003

Captain John E. Darrah
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, TX 76155-2512

Dear Captain Darrah:

In connection with provision [K.7.c.\(3\)](#) of Section 1 (Recognition and Scope) of the Basic Agreement, the Company and the Association have agreed to the attached examples, which demonstrate how to calculate proportionate decreases in block hours between the Company and a Foreign Carrier in cases where the Company reduces flying in a market and leaves its code behind on the Foreign Carrier.

Very truly yours,

/signed/
Jeffrey J. Brundage
Vice President
Employee Relations

Agreed:

/signed/
John E. Darrah
President
Allied Pilots Association

Letter B
Attachment

	-----BEFORE-----				-----AFTER-----			
	-----AA-----		-----OA-----		-----AA-----		-----OA-----	
	Daily <u>Freqs</u>	Hrs <u>per Mo</u>	Daily <u>Freqs</u>	Hrs <u>per Mo</u>	Daily <u>Freqs</u>	Hrs <u>per Mo</u>	Daily <u>Freqs</u>	Hrs <u>per Mo</u>
I.								
NO DECREASE IN AA								
DFW/FRA	1	600	1	600	2	1,200	0	0
JFK/FRA	<u>1</u>	<u>420</u>	<u>1</u>	<u>420</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>840</u>
Totals	2	1,020	2	1,020	2	1,200	2	840
% Change								-17.6%
Total Reduction						0		(180)

II.

**PROPORTIONATE
DECREASE**

**A. 17% Reduction
in Hrs.
(1 RT each)**

ORD/FRA	2	1,080	3	1,620	2	1,080	2	1,080
JFK/FRA	<u>3</u>	<u>1,260</u>	<u>4</u>	<u>1,680</u>	<u>2</u>	<u>840</u>	<u>4</u>	<u>1,680</u>
Totals	5	2,340	7	3,300	4	1,920	6	2,760
% Change						-17.9%		-16.4%
Total Reduction					(1)	(420)	(1)	(540)

**B. 24% Reduction
in Hrs.
(1 RT each)**

JFK/FRA	2	840	1	420	2	840	0	0
DFW/FRA	1	600	1	600	0	0	2	1,200
ORD/FRA	<u>2</u>	<u>1,080</u>	<u>1</u>	<u>540</u>	<u>2</u>	<u>1,080</u>	<u>0</u>	<u>0</u>
Totals	5	2,520	3	1,560	4	1,920	2	1,200
% Change						-23.8%		-23.1%
Total Reduction					(1)	(600)	(1)	(360)

**C. 25% Reduction
in Hrs.
(1 RT each)**

JFK/FRA	2	840	1	420	2	840	0	0
DFW/FRA	2	1,200	1	600	2	1,200	0	0
ORD/FRA	<u>1</u>	<u>540</u>	<u>1</u>	<u>540</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>1,080</u>
Totals	5	2,580	3	1,560	4	2,040	2	1,080
% Change						-20.9%		-30.8%
Total Reduction					(1)	(540)	(1)	(480)

Key: Hrs. assumptions for 1 RT frequency

DFW/FRA = 600 hrs/month
JFK/FRA = 420 hrs/month
ORD/FRA = 540 hrs/month

LETTER C (1)

September 18, 1979

Captain R. H. Malone
President
ALLIED PILOTS ASSOCIATION
P. O. Box 5524
Arlington, Texas 76011

Dear Captain Malone:

This will confirm our understanding regarding ARINC Communications Addressing and Reporting System, hereinafter known as ACARS.

- 1) The purpose of the ACARS data link system is to provide operating times and delay information on a real-time basis to American Airlines Dispatch, Passenger Service and Crew Schedule functions. Subject to paragraph 2) below, ACARS will not be used as a means to monitor pilot in-flight performance.
- 2) Prior to utilizing the ACARS System to transmit or record pilot or aircraft performance parameters, American Airlines agrees to meet with Allied Pilots Association representatives to discuss and agree upon such intended use.
- 3) Disclosure of ACARS derived data to third parties will be limited to those legally entitled to access to such information.

Very truly yours,

/signed/
D. E. Ehmann
Vice President
Flight

Agreed to:

/signed/
R. H. Malone, President
ALLIED PILOTS ASSOCIATION

Dated: 9/19/79

LETTER C (2)

June 19, 1990

Captain F. R. Vogel
President
Allied Pilots Association
P. O. Box 5524
Arlington, Texas 76005-5524

Re: Flight Data Recorders

Dear Captain Vogel:

This letter will confirm the agreement between American Airlines and the Allied Pilots Association describing the only circumstances under which a Flight Data Recorder may be removed from American Airlines aircraft.

1. Whenever a Flight Data Recorder is removed from an American Airlines aircraft in anticipation of or in compliance with a National Transportation Safety Board directive, APA will be notified as soon as practicable. If the data is to be read out or analyzed by American Airlines personnel, the APA will be afforded the opportunity to have a representative present.
2. Whenever a Flight Data Recorder is removed from an American Airlines aircraft for the purpose of aircraft maintenance or aircraft performance evaluation, the APA will be notified as soon as practicable and will be afforded the opportunity to have a representative present when the data is read out and analyzed.
3. Whenever a Flight Data Recorder is removed from an American Airlines aircraft for the purpose of investigating a non-NTSB occurrence involving aircraft damage or personal injury, the APA will be notified as soon as practicable and will be afforded the opportunity to have a representative present when the data is read out and analyzed.
4. Whenever a Flight Data Recorder is removed from an American Airlines aircraft for the purpose of maintenance on the unit or replacement of the unit, the Company will have no obligation to notify the APA.
5. The parties recognize that the information available from Flight Data Recorders is of a sensitive nature, and therefore the disclosure of such data should be limited. Except as may be required by statute, government regulation or legal process, the Company shall not release a read-out or analysis of data from a Flight Data Recorder to a third party without the agreement of APA; provided however, that discussions with APA will not be required where the Company desires to disclose a read-out or analysis of data from a Flight Data Recorder to a third party, such as a manufacturer, for purposes of discussing or evaluating airframe, engine or aircraft component performance. In the event of any third party disclosure, the Company will, to the extent permitted by its legal obligations, maintain the anonymity of the cockpit crewmembers operating the aircraft from which the Flight Data Recorder was removed. When the Company has made available to the APA, consistent with this agreement, the read-out or analysis of data from a Flight Data Recorder, the APA shall not release such read-out or analysis to a third party without the consent of the Company.

In no case will the read-out or analysis of data from a Flight Data Recorder removed from an American Airlines aircraft be used by the Company to initiate or support any disciplinary action against a cockpit crewmember.

Very truly yours,

/signed/
G. A. Hof, Jr.
Vice President-Flight

Agreed:

/signed/
F. R. Vogel
President
Allied Pilots Association

LETTER C (3)

July 28, 1994

Captain James G. Sovich
President
Allied Pilots Association
P. O. Box 5524
Arlington, TX 76005-5524

Dear Jim:

This letter will confirm the agreement between American Airlines and the Allied Pilots Association regarding the use of data from any aircraft data recording and/or data transmitting device. It is agreed that American Airlines may use this data subject to the following conditions:

1. American Airlines will only release data from an aircraft data recording and/or data transmitting device, to an individual or entity outside of the company if required by law, or where the company desires to disclose de identified data or analysis of such data to a third party solely for the purpose of evaluating aircraft engine or component performance, weather data, or other operational analysis. Any party receiving such data shall agree in writing to abide by all terms and provisions of this letter, and,
2. The data from such devices shall not be utilized in any manner injurious to any member of the cockpit crew, including, but not limited to performance evaluations, contractual discipline, or discharge proceeding; and,
3. The data from such devices may be used to the extent required to comply with any mandatory government regulation provided, however, the data shall, to the extent possible, be used or given in a manner consistent with the preceding paragraphs of this letter.

Very truly yours,

/signed/
Captain C. D. Ewell
Chief Pilot
and Vice President-Flight

Agreed to this date:

/signed/
Captain James G. Sovich

LETTER D

October 23, 1979

Captain R. H. Malone
President
Allied Pilots Association
P. O. Box 5524
Arlington, Texas 76011

Dear Captain Malone:

Discussions during recent negotiating sessions have identified areas of pilot dissatisfaction with the operation of Central Crew Tracking. The incidents discussed indicate a need for a direct communications link so that scheduling problems associated with Crew Tracking function can be dealt with in a timely manner.

As stated to you in our discussions, it is the function of Central Crew Tracking to manage the crew resources of American Airlines in an efficient, cost effective manner, within the terms of the AA/APA working agreement, especially during periods of irregular operations, when crews are enroute away from home base(s). The overall costs and scheduling considerations associated with today's airline operation demand the efficiency provided by such a central controlling agency. It is our intention to continue to develop the Central Crew Tracking concept and to insure the benefits of its operation to American Airlines.

In order to succeed, the system must have the support of all involved. In the interest of both parties, pilot complaints should be investigated in the most expeditious manner possible. We are suggesting that a representative from your organization be appointed Central Crew Tracking Coordinator - and all complaints funneled directly to him. The designated contact for your Coordinator within American Airlines Flight Department will be the Vice President-Flight or Assistant Vice President-Flying.

Timely exchange of information between these individuals will result in prompt resolution of identified problem areas and a better understanding by the pilot group of the Central Crew Tracking concept.

Sincerely,

/signed/
D. E. Ehmann
Vice President-Flight

LETTER E

May 1, 2003

Captain John E. Darrah
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, Texas 76155-2512

Dear Captain Darrah:

The Company and the Association recognize that "paper trip selections" are only addressed in [Supplement E](#) of the Basic Agreement. However, there are occasions in which a pilot cannot be awarded a trip selection commensurate with seniority and bid status.

In such cases, the Company shall award or assign a "paper trip selection". The "paper trip selection" that is awarded shall be used to determine the pilot's pay as provided for in [Section 5.A.](#) and/or [17.J.](#) of the Basic Agreement, if applicable. The actual bid line, as defined in Section 2.B. of the Basic Agreement, shall be awarded to the next most senior pilot who would be entitled to such award by virtue of seniority and bid status.

Very truly yours,

/signed/
Mark Burdette
Director
Employee Relations

LETTER F

April 24, 2014

Captain Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Captain Gary Hummel
President
US Airline Pilots Association
200 E. Woodlawn Road, Suite 250
Charlotte, NC 28217

Subject: Usage of Company issued tablet computers.

Dear Captain Wilson and Captain Hummel,

This letter will confirm the understanding between American Airlines/US Airways (hereinafter referred to collectively as "the Company"), and the Allied Pilots Association and the US Airline Pilots Association (hereinafter referred to collectively as "the Association").

The parties agree to the following definition and provisions regarding the use of the company issued tablet computer (an iPad or similar) used in Company flight operations:

A. Definition

The Definition of the tablet computer's intended use includes but is not limited to the following:

1. Use as an electronic replacement for certain flight operations documents including but not limited to the Company Operating Manuals, aeronautical charts, aircraft flight manuals, minimum equipment manuals, and other technical manuals necessary to conduct flight operations, or as required by the FAA.
2. Use as an Electronic Flight Bag – a device used to replace any paper required reference materials.

B. Provisions

Tablet computers distributed to flight crewmembers are considered to be Company property, and therefore, are subject to the applicable Company policies and regulations. The Company will make best efforts to post all Company policies, restrictions and regulations regarding crewmember use of any Company issued device or Company network to the EFB section of AAPilots.com and to Wings.usairways.com.

1. The Company shall have "loaner" tablet computers and charging cords available at all domiciles in the event a pilot does not have a working tablet computer available for use while flying a sequence. This equipment shall be available for loan to the pilot at all times and will have special markings designating it as a loaner.
2. If the Company enables cellular usage in the future, the Company will meet and confer with the Association prior to providing specific data usage guidelines and restrictions. At a minimum, the Company provided data plans shall be sufficient for accomplishing all

Company required usage for the tablet computer. Personal use in excess of the specific data usage guidelines and restrictions may subject the pilot to overage charges.

3. The Company and the Association agree that the only Company-controlled remote tablet computer functionality enabled may be to:
 - a. erase the tablet computer's memory and disable the tablet computer in case of theft, loss or damage, and
 - b. locate the tablet computer in the event it is reported as lost or stolen by the pilot pursuant to paragraph 6, and
 - c. push or stage both data and application updates to the tablet computer via a Mobile Device Management application.
4. Pilots will not tamper with, alter, remove or disable any software (including the operating system) or settings made on the tablet computer contrary to disseminated Company policy, nor will a pilot allow anyone else to do so.
5. Pilots will allow the Company access to the Company's tablet computer at its request for any work-related reason, including inspection in connection with any internal, regulatory, or government inspection. The pilot will also furnish to the Company any work-related passwords, encryption keys or other information necessary, and otherwise cooperate in order for the Company to inspect the tablet computer and access Company data that is stored on, or accessible from it.
6. Pilots will exercise reasonable care for the tablet computer. The pilot understands that if the pilot engages in gross negligence, or willful misconduct, the Company may hold the pilot responsible for the cost of any lost, damaged, or stolen tablet computer. If the tablet computer is damaged, the pilot will submit a written report to the pilot's Chief Pilot. If a pilot's tablet computer is lost or stolen, the pilot will immediately contact the Chief Pilot's Office or Chief Pilot on Duty, and submit a police report unless released of this requirement by the Chief Pilot or Chief Pilot on Duty. The Company can have the tablet computer disabled and wiped clean for security purposes in accordance with Paragraph 3.b. of this letter.
7. Limited personal use of the tablet computer is permitted provided Company policies are followed. Provided Company policies are followed, no disciplinary action shall be taken against a pilot associated with personal use of the tablet computer. In the event a pilot uses his or her tablet computer for personal use, the Company will not be responsible for the loss of any personal information for any reason, including, without limitation, due to any negligence of the Company or any person acting on behalf of the Company.
8. Pilots will return the tablet computer to the Company at its request and will not permanently delete or destroy any Company-related information that has been stored on the tablet computer. Unless the Company has reasonable cause to believe that a pilot's use of the tablet computer is in a violation of Company policies, the Company will afford the pilot the opportunity, along with a reasonable period of time, to secure or otherwise retrieve the pilot's personal data before exercising its rights provided in this paragraph.
9. Except as may be required by law, the Company shall not use the tablet computer to monitor individual performance, location, or compliance with Company (and/or FAA) policy, directives, rules and/or regulations.
10. Airline operations-related data or information from the tablet computer shall not be used in any manner to initiate, facilitate or support Company discipline or discharge.
11. Recorded company data or information shall not be disclosed to any third party, including the FAA, except by mutual agreement of the pilot (or the Association on the pilot's behalf in the event of the pilot's incapacitation or death) and the Company, or as required by statute, government regulation, or judicial order.
12. The Company will pay any duties, taxes, fines, surcharges or any expenses associated with, or deemed necessary for, entering or leaving any foreign jurisdiction while in possession of

the Company-owned computer tablet, provided that such fees are not imposed as a result of the pilot's possession of other personal computer devices.

13. Tablet computer training for and with the EFB device will be conducted in compliance with the Collective Bargaining Agreement.
14. This agreement shall be consistent with the Company's bylaws which provide to pilots indemnification as described in FM Part 1 and US Airways FOM, as applicable.

/signed/

Captain John Hale
Vice President,
Flight

/signed/

Captain Keith Wilson
President,
Allied Pilots Association

/signed/

Captain Gary Hummel
President,
US Airline Pilots Association

LETTER G

January 30, 2015

Captain Keith Wilson
President – Allied Pilots Association
14600 Trinity Boulevard, Suite #500
Fort Worth, TX 76155 – 2512

Re: Furlough Length of Service (LOS)

Dear Captain Wilson,

All “New American Airlines” Pilots (LUS and LAA) furloughed after September 11, 2001 will have the length of time they were on furlough added to their total accredited service in accordance with the following guidelines:

1. Pilots involuntarily furloughed after September 11, 2001 who have returned to active status or accepted recall by January 30, 2015 shall have up to two (2) years Company service restored for vacation accrual and pay (LOS credit).
2. Furlough Stand in Stead pilots shall receive LOS credit for the time spent on furlough prior to their first offer of recall.
3. Furloughed pilots will not receive LOS credit for time on deferred status.
4. Nothing contained in this letter shall impact furloughed pilots contractual rights under Letter T of the 2013 MTA dated December 9, 2013.

American Airlines will provide LOS credit as described in this letter based on a final spreadsheet provided by APA. The spreadsheet shall include, at a minimum, names, employee numbers, and amount of credit.

American Airlines will apply the length of service credit associated with this provision within 60 days after the receipt of the spreadsheet from APA. All provisions are fully retroactive to December 2, 2014 and distribution of the retroactive components will be coordinated with the Association.

Sincerely,

By: / signed /
Beth Holdren
Managing Director
Labor Relations - Flight

AGREED

ALLIED PILOTS ASSOCIATION

By: / signed /
Captain Keith Wilson
President

LETTER H

INTENTIONALLY LEFT BLANK

LETTER I

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LETTER J

March 28, 1995

Captain J. G. Sovich
President
Allied Pilots Association '
P.O. Box 5524
Arlington, TX 76005-5524

RE: Training Prohibit Days

Dear Captain Sovich:

This letter will confirm our understanding on the following procedures to be utilized to honor crewmember requests for specific calendar days in the following contractual bid month during which no assignment to recurrent training (training prohibit) will occur:

1. Pilots wishing to request training prohibit days will indicate their requests via HIEA personal mode entry. Accommodation of prohibit days will be done on a seniority basis when more requests for a specific time frame are made than can be accommodated. If a pilot is unable to get specific requested days off, such pilot may contact their base Chief Pilot for remedy.
2. Pilots may specify up to four calendar days for training prohibits that may be split in the following manner:

Number of Splits	Day Combinations
0	4
1*	3-1, 2-2
2*	2-1-1

*A pilot electing to request one (1) or two (2) splits authorizes the training scheduling department (not crew schedule) to move only those DFPs that are in direct conflict with the time frame that training scheduling will schedule such pilot's recurrent training. If it is necessary to move DFPs, the training scheduling department may move or combine the DFPs in any combination as long as there is no free standing twenty-four (24) and the total number remain at ten (10).

Very truly yours,

/signed/
Captain C. D. Ewell
Chief Pilot and Vice
President-Flight

Agreed to this date:

/signed/
James G. Sovich, President
Allied Pilots Association

LETTER K

INTENTIONALLY LEFT BLANK

LETTER L

April 12, 1996

Richard C. Blase
Chairman - Negotiating Committee
Allied Pilots Association
P.O. Box 5524
Arlington, TX 76005-5524

Layovers Involving a Change of Airports at Other Than Co-terminals

Dear Rich:

This is to confirm our understanding regarding layovers which involve a pilot arriving at one airport and departing from a different airport, when the airports serve the same city but are not co-terminals.

For those sequences which involve arriving at one airport and being scheduled, rescheduled, or reassigned to depart after a layover from another airport serving the same city, when the airports are not co-terminals, it is agreed that pilots shall:

1. Use the specific ground transportation and hotel accommodations which the Association and Company mutually agree are suitable for layovers between the airports; or
2. Be paid deadhead pay and credit for surface transportation between the airports in accordance with [Section 6.E.](#) of the Basic Agreement.

Sincerely,

/signed/
Captain C.D. Ewell
Vice President-Flight
and Chief Pilot

Agreed:

/signed/
Richard C. Blase
Chairman - Negotiating Committee
Allied Pilots Association

LETTER M

January 1, 2013

Airport Parking Permits

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

This will confirm our understanding relative to the issuance of pilot parking permits.

1. All pilots shall receive a Company paid parking permit at:
 - a. such pilot's base, or
 - b. the AMR station of his/her choice if available (if insufficient permits are available to provide one for each pilot desiring it, permits will be assigned in system seniority order at each issuance date).
 - c. In the event commuter parking at an AMR station is not available at local employee parking rates, the Company will reimburse the pilot the actual monthly amount paid, up to the maximum monthly amount the Company pays for local employees at any airport at the pilot's domicile from which sequences in such pilot's bid status originate, plus fifty (50) dollars per month.
2. If no permit is issued as provided in 1. above, the pilot will be reimbursed the lesser of the cost of a permit at such pilot's base, or actual expenses.
3. If a pilot desires an additional parking permit, a second permit shall be provided, based upon availability. If a pilot exercises this option, the pilot will pay for the more expensive permit.
4. The Company will explore opportunities to simplify the attainment of parking permits. The Company will work with the Association, AA Corporate Real Estate and local airport authorities to encourage and facilitate equitable parking policies for commuting employees. At any domicile, satellite or co-terminal airport that requires more than one visit to obtain a parking permit, the Company will request a meeting with the local airport authorities and APA, with additional follow up meetings as necessary, to discuss and propose solutions for streamlining the parking process. If an APA representative(s) is unable to attend, the Company will provide APA with a summary of the meeting(s).

Sincerely,

/signed/

Dennis A. Newgren
Managing Director Employee Relations, Flight

Agreed to:
:

/signed/

Keith Wilson
President
Allied Pilots Association

LETTER N

May 5, 1997

Captain's Recommendation re: Hotels During Off Schedule Operations

Dear Captain,

All of us do our best to provide schedule reliability. As the Captain, your role is vital to the ongoing success of our airline. You are the eyes, ears and heart of our daily operation and even more so when we run into off schedule operations.

As you know, we contract for layover hotels many months in advance and we pay for them whether we use them or not. My purpose in writing this letter is to advise you that during off schedule operations we want your recommendations as to changing from a long layover hotel to the short layover hotel. Our folks will evaluate your request as to the overall impact and make necessary and justified adjustments.

As always, your continued professionalism and help is appreciated.

/signed/
Captain C. D. Ewell
Chief Pilot and
Vice President Flight

LETTER O

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LETTER Q

January 1, 2013

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, Texas 76155

Re: Accommodation of Other Airline Jump Seat Riders

Dear President Wilson:

APA and the Company have reached the following understanding regarding accommodation of other airline jump seat riders:

1. The Captain's authority regarding accommodation of other airline jump seat riders is mandated by the FARs and supported by senior management of the Company;
2. The Company has entered into Reciprocal Jump Seat Agreements with various airlines;
3. Each Captain has authority to accommodate, for operational consideration, other airline cockpit jump seat riders in the passenger cabin provided their company has a reciprocal jump seat agreement in place with American Airlines; and
4. In the event of a strike on another carrier, the provisions of that reciprocal jump seat agreement shall remain in place for 30 calendar days. However, nothing in this agreement precludes the time frame from being extended past 30 calendar days with the mutual agreement of the Vice President of Flight and the President of the Allied Pilots Association.
5. APA and AA will work together to establish and review reciprocal jumpseat agreements with other carriers. The parties will meet promptly to resolve any issues that may arise from said agreements. The final determination regarding cockpit jumpseat agreements shall be made by the Vice-President, Flight.

Very truly yours,

/signed/
Dennis Newgren
Director, Employee Relations, Flight

Agreed:

/signed/
Keith Wilson
President
Allied Pilots Association

LETTER R

February 26, 1991

Captain F. R. Vogel
President
Allied Pilots Association
P. O. Box 5524
Arlington, Texas 76005-5524

Re: Crew Meals

Dear Captain Vogel:

This will confirm our understanding that the Company and the Association will each appoint representatives to serve as a committee to study and develop recommended changes to [Section 7.B.5](#) of the Agreement in order to provide the scheduling of crew meals to assure adequate and normal nutrition for pilots.

Very truly yours,

/signed/
R. P. Craviso
Vice President
Employee Relations

Agreed to this date:

/signed/
F. R. Vogel
President
Allied Pilots Association

LETTER S

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LETTER T

American Airlines®

May 1, 2003

Captain John Darrah, President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, TX 76155-2512

Captain John Darrah

As a result of the financial condition of the Company, an unprecedented number of furloughs are occurring. The parties agree to adopt the following during the period of furloughs:

1. A furloughed pilot may defer recall to American Airlines for three (3) years after the last pilot with recall rights is notified of recall. Pilots should keep their current contact information on file with the Company. For planning purposes, a pilot electing to defer recall shall notify the Company of the length of deferral desired. The pilot can notify the Company if the pilot's situation changes such that the pilot desires to end the recall deferral. In such case, the Company will recall the pilot in seniority order to the next available class date.
2. A pilot electing to take a leave of absence in anticipation of furlough or to mitigate furloughs does not need prior written permission of the Company to engage in aviation employment as required in [Section 11.B.7.](#)
3. Notwithstanding the provisions of [Section 13.F.](#) of the Agreement, the Company acknowledges that a furloughed pilot may not waive his or her re-employment preference without the Association's concurrence.

Sincerely,

/signed/
Mark Burdette
Director, Employee Relations, Flight

Agreed and Accepted:

/signed/
John Darrah, President
Allied Pilots Association

LETTER U

May 1, 2003

Captain John E. Darrah, President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, TX 76155

Dear John:

This letter confirms an agreement between the Allied Pilots Association ("Association") and American Airlines, Inc. ("Company") regarding the formula and determination of the Weighted Average Cost of Capital ("WACC") for AMR Corporation and the determination of route profitability for the Company for purposes of the Recognition and Scope Clause ("Scope Clause"). The parties agree as follows:

1. On January 30, 1997, the Company will provide to APA a recalculated WACC for AMR Corporation. Thereafter, the Company agrees to recalculate WACC at least every forty-eight (48) months. The Company may recalculate WACC more frequently in its discretion. Each time the Company recalculates WACC, the Company shall provide the Association with the underlying risk free interest rates, debt risk premium, equity risk premium, tax rate, beta, and target capital structure necessary to verify the calculation.

2. The Company agrees that, with respect to WACC and route profitability, it shall use the same formula and numbers for purposes of compliance with the Scope Clause that it uses internally for the purposes of route planning and aircraft acquisition.

3. At the times set forth in [Section 1.I](#) and [J](#), the Company shall provide the Association with a ranking of its international flights by route profitability. When the Company provides such ranking, it shall also provide the Association with the profit margin, yield, load factor, available seat miles, revenue passenger miles, revenue per available seat mile ("asm"), cost per asm, and upline and downline effects for each international route that is ranked for the period in question so that the Association can verify the calculation of route profitability. In the event that the Company cancels an international route that the Company intends to codeshare, the Company will also provide the Association with the internal analysis used to make that decision.

4. The WACC formula being used by the Company as of the date of this letter is attached hereto as [Exhibit "A"](#). In the event that the Company changes the WACC formula for its internal purposes, the Company shall notify the Association of such change, the relevant details and the reasons why it is being made.

5. The Association acknowledges that all data provided to the Association pursuant to this Letter Agreement is proprietary business information and is confidential. The Association, for itself and on behalf of all of its officers, directors, agents, employees, members and any person(s) acting on their behalf, at their request, or with their knowledge, agrees not to disclose any of this information to any person in the Association or to any other person except on a need-to-know basis, and then only in connection with the functions permitted under this Letter Agreement, and such person(s) shall be informed by the Association that s/he or they is/are bound by these same obligations of confidentiality. This confidentiality provision is not meant to protect data that is in the public domain or otherwise

demonstrably known to the Association in advance of disclosure pursuant to this Letter Agreement (except if such knowledge is subject to another confidentiality obligation).

Very truly yours,

/signed/
Mark L. Burdette
Director, Employee Relations - Flight

Agreed:

/signed/
John E. Darrah
President
Allied Pilots Association

Letter U

Exhibit "A"

AMR Weighted Average Cost of Capital

Calculation Methodology

$$WACC = (D/V * R_d) + (E/V * R_e)$$

D/V = 55%, representing AMR's target debt to total capital ratio, reflecting the ratio the Company would have to maintain to keep a solid "A" credit rating

E/V = 45%. See D/V explanation

R_d = Historical incremental after-tax cost of AMR 30 year unsecured debt

R_e = Historical incremental cost of AMR equity

$$R_d = (1-T) * D_p$$

T = AMR's projected tax rate (currently 33.75%)

D_p = Pre-tax historical average annualized cost of AMR 30 year unsecured debt (average thirty year treasury rate from 12/31/83 to present plus AMR historical average (1990-1995) thirty year unsecured borrowing spread of 205 basis points)

$$R_e = R_f + B(R_m - R_f)$$

R_f = Historical average annualized U.S. Government three month T-bill rate (from 12/31/83 to present)

B = AMR's adjusted beta (from 12/31/83-present)

(R_m - R_f) = Market historical risk premium of 8.5% (S&P 500 annual return minus three month T-bill rate from 12/31/83-present)

AMR Weighted Average Cost of Capital

AMR Calculation

$$\begin{aligned} WACC &= (R_d * D/V) + (R_e * E/V) \\ &= (7.23\% * .55) + (16.60\% * .45) \\ &= 3.98\% + 7.47\% \\ &= 11.45\% \end{aligned}$$

$R_d = (1-T) * D_p$	$R_e = R_f + B(R_m - R_f)$
$= (1 - 33.75\%) * (8.575\% + 2.05\%)$	$= 6.40\% + 1.20(8.50\%)$
$= .6625 * 10.625\%$	$= 6.40\% + 10.20\%$
$= .6625 * 10.91\% \text{ (Annualized)}$	$= 16.60\%$
$= 7.23\%$	

LETTER V

May 5, 1997

James G. Sovich
President
Allied Pilots Association
P.O. Box 5524
Arlington, TX 76005-5524

Crew Rest Facilities

Dear Captain Sovich:

This will confirm our understanding that the Flight Department and APA will review on a regular basis those locations where our pilots have protracted sit around time to determine the need for crew rest facilities.

For those locations where the Flight Department and the APA agree a crew rest facility is required, the Fight Department and the APA will review possible locations as well as appropriate furnishings and support equipment.

Very truly yours,

/signed/
Captain C. D. Ewell
Chief Pilot &
Vice President Flight

Agreed:

/signed/
James G. Sovich
President
Allied Pilots Association

LETTER W

January 30, 2015

Captain Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Subject: Sick Leave Rapid Re-Accrual for Former America West Pilots

The contractual sick leave structure in place for the former pilots of America West Airlines hired prior to January 1, 2014 was such that it did not conform to the Rapid Reaccrual provisions of Section 10 - Sick Leave in the Joint Collective Bargaining Agreement (JCBA). For purposes of meeting the "fifty percent (50%) or more of such pilot's total accrual based on length of service" specified in Section 10.C.2 the parties agree to use the following charts as an assumed fifty percent (50%) of total accrual for the purposes of Rapid Reaccrual eligibility.

Example 1.

A pilot hired at America West in 2000 who has uninterrupted service prior to commencing a 30+ day sick absence in January of 2015 will be required to have a sick bank balance in excess of 252.6 hours in order to meet the 50% threshold and be eligible for Rapid Reaccrual.

Example 2.

A pilot hired at America West in 2008 who was away from service at the airline for two years (e.g. furlough, leave of absence, etc) prior to commencing a 30+ day sick absence in January of 2015 will be required to have a sick bank balance in excess of 104.8 hours in order to meet the 50% threshold and be eligible for Rapid Reaccrual.

Sincerely,

/signed/

Beth Holdren
Managing Director
Labor Relations, Flight

Agreed and Accepted:

/signed/

Captain Keith Wilson
President
Allied Pilots Association

Pilot Hired Prior to Jan 2004													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2004	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2005	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2006	3	59.4	61.8	64.1	66.5	68.5	70.5	72.5	74.5	76.5	78.5	80.5	82.5
2007	4	84.5	86.5	88.5	90.1	91.8	93.4	95.0	96.6	98.3	99.9	101.5	103.1
2008	5	104.8	106.4	108.0	109.6	111.3	112.9	114.5	116.1	117.8	119.4	121.0	122.6
2009	6	124.3	125.9	127.5	129.1	130.8	132.4	134.0	135.6	137.3	138.9	140.5	142.1
2010	7	143.8	145.4	147.0	148.6	150.3	151.9	153.5	155.1	156.8	158.4	160.0	161.6
2011	8	163.3	164.9	166.5	168.1	169.8	171.4	173.0	174.6	176.3	177.9	179.5	181.1
2012	9	182.8	184.4	186.0	187.6	189.3	190.9	192.5	194.1	195.8	197.4	199.0	200.6
2013	10	202.3	203.9	205.5	207.1	208.8	210.4	212.0	213.6	215.3	216.9	218.5	220.1
2014	11	222.6	225.1	227.6	230.1	232.6	235.1	237.6	240.1	242.6	245.1	247.6	250.1
2015	12	252.6	255.1	257.6	260.1	262.6	265.1	267.6	270.1	272.6	275.1	277.6	280.1
2016	13	282.6	285.1	287.6	290.1	292.6	295.1	297.6	300.1	302.6	305.1	307.6	310.1
2017	14	312.6	315.1	317.6	320.1	322.6	325.1	327.6	330.1	332.6	335.1	337.6	340.1
2018	15	342.6	345.1	347.6	350.1	352.6	355.1	357.6	360.1	362.6	365.1	367.6	370.1
2019	16	372.6	375.1	377.6	380.1	382.6	385.1	387.6	390.1	392.6	395.1	397.6	400.1
2020	17	402.6	405.1	407.6	410.1	412.6	415.1	417.6	420.1	422.6	425.1	427.6	430.1
2021	18	432.6	435.1	437.6	440.1	442.6	445.1	447.6	450.1	452.6	455.1	457.6	460.1
2022	19	462.6	465.1	467.6	470.1	472.6	475.1	477.6	480.1	482.6	485.1	487.6	490.1
2023	20	492.6	495.1	497.6	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2024	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2025	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2026	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2027	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2028	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2029	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2004													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2005	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2006	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2007	3	59.4	61.8	64.1	66.5	68.5	70.5	72.5	74.5	76.5	78.5	80.5	82.5
2008	4	84.5	86.5	88.5	90.1	91.8	93.4	95.0	96.6	98.3	99.9	101.5	103.1
2009	5	104.8	106.4	108.0	109.6	111.3	112.9	114.5	116.1	117.8	119.4	121.0	122.6
2010	6	124.3	125.9	127.5	129.1	130.8	132.4	134.0	135.6	137.3	138.9	140.5	142.1
2011	7	143.8	145.4	147.0	148.6	150.3	151.9	153.5	155.1	156.8	158.4	160.0	161.6
2012	8	163.3	164.9	166.5	168.1	169.8	171.4	173.0	174.6	176.3	177.9	179.5	181.1
2013	9	182.8	184.4	186.0	187.6	189.3	190.9	192.5	194.1	195.8	197.4	199.0	200.6
2014	10	203.1	205.6	208.1	210.6	213.1	215.6	218.1	220.6	223.1	225.6	228.1	230.6
2015	11	233.1	235.6	238.1	240.6	243.1	245.6	248.1	250.6	253.1	255.6	258.1	260.6
2016	12	263.1	265.6	268.1	270.6	273.1	275.6	278.1	280.6	283.1	285.6	288.1	290.6
2017	13	293.1	295.6	298.1	300.6	303.1	305.6	308.1	310.6	313.1	315.6	318.1	320.6
2018	14	323.1	325.6	328.1	330.6	333.1	335.6	338.1	340.6	343.1	345.6	348.1	350.6
2019	15	353.1	355.6	358.1	360.6	363.1	365.6	368.1	370.6	373.1	375.6	378.1	380.6
2020	16	383.1	385.6	388.1	390.6	393.1	395.6	398.1	400.6	403.1	405.6	408.1	410.6
2021	17	413.1	415.6	418.1	420.6	423.1	425.6	428.1	430.6	433.1	435.6	438.1	440.6
2022	18	443.1	445.6	448.1	450.6	453.1	455.6	458.1	460.6	463.1	465.6	468.1	470.6
2023	19	473.1	475.6	478.1	480.6	483.1	485.6	488.1	490.6	493.1	495.6	498.1	500.0
2024	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2025	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2026	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2027	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2028	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2029	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2005													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2006	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2007	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2008	3	59.4	61.8	64.1	66.5	68.5	70.5	72.5	74.5	76.5	78.5	80.5	82.5
2009	4	84.5	86.5	88.5	90.1	91.8	93.4	95.0	96.6	98.3	99.9	101.5	103.1
2010	5	104.8	106.4	108.0	109.6	111.3	112.9	114.5	116.1	117.8	119.4	121.0	122.6
2011	6	124.3	125.9	127.5	129.1	130.8	132.4	134.0	135.6	137.3	138.9	140.5	142.1
2012	7	143.8	145.4	147.0	148.6	150.3	151.9	153.5	155.1	156.8	158.4	160.0	161.6
2013	8	163.3	164.9	166.5	168.1	169.8	171.4	173.0	174.6	176.3	177.9	179.5	181.1
2014	9	183.6	186.1	188.6	191.1	193.6	196.1	198.6	201.1	203.6	206.1	208.6	211.1
2015	10	213.6	216.1	218.6	221.1	223.6	226.1	228.6	231.1	233.6	236.1	238.6	241.1
2016	11	243.6	246.1	248.6	251.1	253.6	256.1	258.6	261.1	263.6	266.1	268.6	271.1
2017	12	273.6	276.1	278.6	281.1	283.6	286.1	288.6	291.1	293.6	296.1	298.6	301.1
2018	13	303.6	306.1	308.6	311.1	313.6	316.1	318.6	321.1	323.6	326.1	328.6	331.1
2019	14	333.6	336.1	338.6	341.1	343.6	346.1	348.6	351.1	353.6	356.1	358.6	361.1
2020	15	363.6	366.1	368.6	371.1	373.6	376.1	378.6	381.1	383.6	386.1	388.6	391.1
2021	16	393.6	396.1	398.6	401.1	403.6	406.1	408.6	411.1	413.6	416.1	418.6	421.1
2022	17	423.6	426.1	428.6	431.1	433.6	436.1	438.6	441.1	443.6	446.1	448.6	451.1
2023	18	453.6	456.1	458.6	461.1	463.6	466.1	468.6	471.1	473.6	476.1	478.6	481.1
2024	19	483.6	486.1	488.6	491.1	493.6	496.1	498.6	500.0	500.0	500.0	500.0	500.0
2025	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2026	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2027	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2028	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2029	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2006													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2008	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2009	3	59.4	61.8	64.1	66.5	68.5	70.5	72.5	74.5	76.5	78.5	80.5	82.5
2010	4	84.5	86.5	88.5	90.1	91.8	93.4	95.0	96.6	98.3	99.9	101.5	103.1
2011	5	104.8	106.4	108.0	109.6	111.3	112.9	114.5	116.1	117.8	119.4	121.0	122.6
2012	6	124.3	125.9	127.5	129.1	130.8	132.4	134.0	135.6	137.3	138.9	140.5	142.1
2013	7	143.8	145.4	147.0	148.6	150.3	151.9	153.5	155.1	156.8	158.4	160.0	161.6
2014	8	164.1	166.6	169.1	171.6	174.1	176.6	179.1	181.6	184.1	186.6	189.1	191.6
2015	9	194.1	196.6	199.1	201.6	204.1	206.6	209.1	211.6	214.1	216.6	219.1	221.6
2016	10	224.1	226.6	229.1	231.6	234.1	236.6	239.1	241.6	244.1	246.6	249.1	251.6
2017	11	254.1	256.6	259.1	261.6	264.1	266.6	269.1	271.6	274.1	276.6	279.1	281.6
2018	12	284.1	286.6	289.1	291.6	294.1	296.6	299.1	301.6	304.1	306.6	309.1	311.6
2019	13	314.1	316.6	319.1	321.6	324.1	326.6	329.1	331.6	334.1	336.6	339.1	341.6
2020	14	344.1	346.6	349.1	351.6	354.1	356.6	359.1	361.6	364.1	366.6	369.1	371.6
2021	15	374.1	376.6	379.1	381.6	384.1	386.6	389.1	391.6	394.1	396.6	399.1	401.6
2022	16	404.1	406.6	409.1	411.6	414.1	416.6	419.1	421.6	424.1	426.6	429.1	431.6
2023	17	434.1	436.6	439.1	441.6	444.1	446.6	449.1	451.6	454.1	456.6	459.1	461.6
2024	18	464.1	466.6	469.1	471.6	474.1	476.6	479.1	481.6	484.1	486.6	489.1	491.6
2025	19	494.1	496.6	499.1	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2026	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2027	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2028	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2029	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2007													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2008	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2009	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2010	3	59.4	61.8	64.1	66.5	68.5	70.5	72.5	74.5	76.5	78.5	80.5	82.5
2011	4	84.5	86.5	88.5	90.1	91.8	93.4	95.0	96.6	98.3	99.9	101.5	103.1
2012	5	104.8	106.4	108.0	109.6	111.3	112.9	114.5	116.1	117.8	119.4	121.0	122.6
2013	6	124.3	125.9	127.5	129.1	130.8	132.4	134.0	135.6	137.3	138.9	140.5	142.1
2014	7	144.6	147.1	149.6	152.1	154.6	157.1	159.6	162.1	164.6	167.1	169.6	172.1
2015	8	174.6	177.1	179.6	182.1	184.6	187.1	189.6	192.1	194.6	197.1	199.6	202.1
2016	9	204.6	207.1	209.6	212.1	214.6	217.1	219.6	222.1	224.6	227.1	229.6	232.1
2017	10	234.6	237.1	239.6	242.1	244.6	247.1	249.6	252.1	254.6	257.1	259.6	262.1
2018	11	264.6	267.1	269.6	272.1	274.6	277.1	279.6	282.1	284.6	287.1	289.6	292.1
2019	12	294.6	297.1	299.6	302.1	304.6	307.1	309.6	312.1	314.6	317.1	319.6	322.1
2020	13	324.6	327.1	329.6	332.1	334.6	337.1	339.6	342.1	344.6	347.1	349.6	352.1
2021	14	354.6	357.1	359.6	362.1	364.6	367.1	369.6	372.1	374.6	377.1	379.6	382.1
2022	15	384.6	387.1	389.6	392.1	394.6	397.1	399.6	402.1	404.6	407.1	409.6	412.1
2023	16	414.6	417.1	419.6	422.1	424.6	427.1	429.6	432.1	434.6	437.1	439.6	442.1
2024	17	444.6	447.1	449.6	452.1	454.6	457.1	459.6	462.1	464.6	467.1	469.6	472.1
2025	18	474.6	477.1	479.6	482.1	484.6	487.1	489.6	492.1	494.6	497.1	499.6	500.0
2026	19	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2027	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2028	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2029	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2042	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2008													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2009	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2010	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2011	3	59.4	61.8	64.1	66.5	68.5	70.5	72.5	74.5	76.5	78.5	80.5	82.5
2012	4	84.5	86.5	88.5	90.1	91.8	93.4	95.0	96.6	98.3	99.9	101.5	103.1
2013	5	104.8	106.4	108.0	109.6	111.3	112.9	114.5	116.1	117.8	119.4	121.0	122.6
2014	6	125.1	127.6	130.1	132.6	135.1	137.6	140.1	142.6	145.1	147.6	150.1	152.6
2015	7	155.1	157.6	160.1	162.6	165.1	167.6	170.1	172.6	175.1	177.6	180.1	182.6
2016	8	185.1	187.6	190.1	192.6	195.1	197.6	200.1	202.6	205.1	207.6	210.1	212.6
2017	9	215.1	217.6	220.1	222.6	225.1	227.6	230.1	232.6	235.1	237.6	240.1	242.6
2018	10	245.1	247.6	250.1	252.6	255.1	257.6	260.1	262.6	265.1	267.6	270.1	272.6
2019	11	275.1	277.6	280.1	282.6	285.1	287.6	290.1	292.6	295.1	297.6	300.1	302.6
2020	12	305.1	307.6	310.1	312.6	315.1	317.6	320.1	322.6	325.1	327.6	330.1	332.6
2021	13	335.1	337.6	340.1	342.6	345.1	347.6	350.1	352.6	355.1	357.6	360.1	362.6
2022	14	365.1	367.6	370.1	372.6	375.1	377.6	380.1	382.6	385.1	387.6	390.1	392.6
2023	15	395.1	397.6	400.1	402.6	405.1	407.6	410.1	412.6	415.1	417.6	420.1	422.6
2024	16	425.1	427.6	430.1	432.6	435.1	437.6	440.1	442.6	445.1	447.6	450.1	452.6
2025	17	455.1	457.6	460.1	462.6	465.1	467.6	470.1	472.6	475.1	477.6	480.1	482.6
2026	18	485.1	487.6	490.1	492.6	495.1	497.6	500.0	500.0	500.0	500.0	500.0	500.0
2027	19	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2028	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2029	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2042	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2043	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2009													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2011	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2012	3	59.4	61.8	64.1	66.5	68.5	70.5	72.5	74.5	76.5	78.5	80.5	82.5
2013	4	84.5	86.5	88.5	90.1	91.8	93.4	95.0	96.6	98.3	99.9	101.5	103.1
2014	5	105.6	108.1	110.6	113.1	115.6	118.1	120.6	123.1	125.6	128.1	130.6	133.1
2015	6	135.6	138.1	140.6	143.1	145.6	148.1	150.6	153.1	155.6	158.1	160.6	163.1
2016	7	165.6	168.1	170.6	173.1	175.6	178.1	180.6	183.1	185.6	188.1	190.6	193.1
2017	8	195.6	198.1	200.6	203.1	205.6	208.1	210.6	213.1	215.6	218.1	220.6	223.1
2018	9	225.6	228.1	230.6	233.1	235.6	238.1	240.6	243.1	245.6	248.1	250.6	253.1
2019	10	255.6	258.1	260.6	263.1	265.6	268.1	270.6	273.1	275.6	278.1	280.6	283.1
2020	11	285.6	288.1	290.6	293.1	295.6	298.1	300.6	303.1	305.6	308.1	310.6	313.1
2021	12	315.6	318.1	320.6	323.1	325.6	328.1	330.6	333.1	335.6	338.1	340.6	343.1
2022	13	345.6	348.1	350.6	353.1	355.6	358.1	360.6	363.1	365.6	368.1	370.6	373.1
2023	14	375.6	378.1	380.6	383.1	385.6	388.1	390.6	393.1	395.6	398.1	400.6	403.1
2024	15	405.6	408.1	410.6	413.1	415.6	418.1	420.6	423.1	425.6	428.1	430.6	433.1
2025	16	435.6	438.1	440.6	443.1	445.6	448.1	450.6	453.1	455.6	458.1	460.6	463.1
2026	17	465.6	468.1	470.6	473.1	475.6	478.1	480.6	483.1	485.6	488.1	490.6	493.1
2027	18	495.6	498.1	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2028	19	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2029	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2042	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2043	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2044	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2010													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2011	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2012	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2013	3	59.4	61.8	64.1	66.5	68.5	70.5	72.5	74.5	76.5	78.5	80.5	82.5
2014	4	85.0	87.5	90.0	92.5	95.0	97.5	100.0	102.5	105.0	107.5	110.0	112.5
2015	5	115.0	117.5	120.0	122.5	125.0	127.5	130.0	132.5	135.0	137.5	140.0	142.5
2016	6	145.0	147.5	150.0	152.5	155.0	157.5	160.0	162.5	165.0	167.5	170.0	172.5
2017	7	175.0	177.5	180.0	182.5	185.0	187.5	190.0	192.5	195.0	197.5	200.0	202.5
2018	8	205.0	207.5	210.0	212.5	215.0	217.5	220.0	222.5	225.0	227.5	230.0	232.5
2019	9	235.0	237.5	240.0	242.5	245.0	247.5	250.0	252.5	255.0	257.5	260.0	262.5
2020	10	265.0	267.5	270.0	272.5	275.0	277.5	280.0	282.5	285.0	287.5	290.0	292.5
2021	11	295.0	297.5	300.0	302.5	305.0	307.5	310.0	312.5	315.0	317.5	320.0	322.5
2022	12	325.0	327.5	330.0	332.5	335.0	337.5	340.0	342.5	345.0	347.5	350.0	352.5
2023	13	355.0	357.5	360.0	362.5	365.0	367.5	370.0	372.5	375.0	377.5	380.0	382.5
2024	14	385.0	387.5	390.0	392.5	395.0	397.5	400.0	402.5	405.0	407.5	410.0	412.5
2025	15	415.0	417.5	420.0	422.5	425.0	427.5	430.0	432.5	435.0	437.5	440.0	442.5
2026	16	445.0	447.5	450.0	452.5	455.0	457.5	460.0	462.5	465.0	467.5	470.0	472.5
2027	17	475.0	477.5	480.0	482.5	485.0	487.5	490.0	492.5	495.0	497.5	500.0	500.0
2028	18	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2029	19	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2042	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2043	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2044	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2045	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2011													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2013	2	30.9	33.3	35.6	38.0	40.4	42.8	45.1	47.5	49.9	52.3	54.6	57.0
2014	3	59.5	62.0	64.5	67.0	69.5	72.0	74.5	77.0	79.5	82.0	84.5	87.0
2015	4	89.5	92.0	94.5	97.0	99.5	102.0	104.5	107.0	109.5	112.0	114.5	117.0
2016	5	119.5	122.0	124.5	127.0	129.5	132.0	134.5	137.0	139.5	142.0	144.5	147.0
2017	6	149.5	152.0	154.5	157.0	159.5	162.0	164.5	167.0	169.5	172.0	174.5	177.0
2018	7	179.5	182.0	184.5	187.0	189.5	192.0	194.5	197.0	199.5	202.0	204.5	207.0
2019	8	209.5	212.0	214.5	217.0	219.5	222.0	224.5	227.0	229.5	232.0	234.5	237.0
2020	9	239.5	242.0	244.5	247.0	249.5	252.0	254.5	257.0	259.5	262.0	264.5	267.0
2021	10	269.5	272.0	274.5	277.0	279.5	282.0	284.5	287.0	289.5	292.0	294.5	297.0
2022	11	299.5	302.0	304.5	307.0	309.5	312.0	314.5	317.0	319.5	322.0	324.5	327.0
2023	12	329.5	332.0	334.5	337.0	339.5	342.0	344.5	347.0	349.5	352.0	354.5	357.0
2024	13	359.5	362.0	364.5	367.0	369.5	372.0	374.5	377.0	379.5	382.0	384.5	387.0
2025	14	389.5	392.0	394.5	397.0	399.5	402.0	404.5	407.0	409.5	412.0	414.5	417.0
2026	15	419.5	422.0	424.5	427.0	429.5	432.0	434.5	437.0	439.5	442.0	444.5	447.0
2027	16	449.5	452.0	454.5	457.0	459.5	462.0	464.5	467.0	469.5	472.0	474.5	477.0
2028	17	479.5	482.0	484.5	487.0	489.5	492.0	494.5	497.0	499.5	500.0	500.0	500.0
2029	18	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2030	19	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2042	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2043	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2044	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2045	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2046	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2012													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1	2.4	4.8	7.1	9.5	11.9	14.3	16.6	19.0	21.4	23.8	26.1	28.5
2014	2	31.0	33.5	36.0	38.5	41.0	43.5	46.0	48.5	51.0	53.5	56.0	58.5
2015	3	61.0	63.5	66.0	68.5	71.0	73.5	76.0	78.5	81.0	83.5	86.0	88.5
2016	4	91.0	93.5	96.0	98.5	101.0	103.5	106.0	108.5	111.0	113.5	116.0	118.5
2017	5	121.0	123.5	126.0	128.5	131.0	133.5	136.0	138.5	141.0	143.5	146.0	148.5
2018	6	151.0	153.5	156.0	158.5	161.0	163.5	166.0	168.5	171.0	173.5	176.0	178.5
2019	7	181.0	183.5	186.0	188.5	191.0	193.5	196.0	198.5	201.0	203.5	206.0	208.5
2020	8	211.0	213.5	216.0	218.5	221.0	223.5	226.0	228.5	231.0	233.5	236.0	238.5
2021	9	241.0	243.5	246.0	248.5	251.0	253.5	256.0	258.5	261.0	263.5	266.0	268.5
2022	10	271.0	273.5	276.0	278.5	281.0	283.5	286.0	288.5	291.0	293.5	296.0	298.5
2023	11	301.0	303.5	306.0	308.5	311.0	313.5	316.0	318.5	321.0	323.5	326.0	328.5
2024	12	331.0	333.5	336.0	338.5	341.0	343.5	346.0	348.5	351.0	353.5	356.0	358.5
2025	13	361.0	363.5	366.0	368.5	371.0	373.5	376.0	378.5	381.0	383.5	386.0	388.5
2026	14	391.0	393.5	396.0	398.5	401.0	403.5	406.0	408.5	411.0	413.5	416.0	418.5
2027	15	421.0	423.5	426.0	428.5	431.0	433.5	436.0	438.5	441.0	443.5	446.0	448.5
2028	16	451.0	453.5	456.0	458.5	461.0	463.5	466.0	468.5	471.0	473.5	476.0	478.5
2029	17	481.0	483.5	486.0	488.5	491.0	493.5	496.0	498.5	500.0	500.0	500.0	500.0
2030	18	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2031	19	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2042	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2043	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2044	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2045	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2046	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2047	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

Pilot Hired in 2013													
Career-to-Date Accrual @ 50%													
	YOS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	1	2.5	5.0	7.5	10.0	12.5	15.0	17.5	20.0	22.5	25.0	27.5	30.0
2015	2	32.5	35.0	37.5	40.0	42.5	45.0	47.5	50.0	52.5	55.0	57.5	60.0
2016	3	62.5	65.0	67.5	70.0	72.5	75.0	77.5	80.0	82.5	85.0	87.5	90.0
2017	4	92.5	95.0	97.5	100.0	102.5	105.0	107.5	110.0	112.5	115.0	117.5	120.0
2018	5	122.5	125.0	127.5	130.0	132.5	135.0	137.5	140.0	142.5	145.0	147.5	150.0
2019	6	152.5	155.0	157.5	160.0	162.5	165.0	167.5	170.0	172.5	175.0	177.5	180.0
2020	7	182.5	185.0	187.5	190.0	192.5	195.0	197.5	200.0	202.5	205.0	207.5	210.0
2021	8	212.5	215.0	217.5	220.0	222.5	225.0	227.5	230.0	232.5	235.0	237.5	240.0
2022	9	242.5	245.0	247.5	250.0	252.5	255.0	257.5	260.0	262.5	265.0	267.5	270.0
2023	10	272.5	275.0	277.5	280.0	282.5	285.0	287.5	290.0	292.5	295.0	297.5	300.0
2024	11	302.5	305.0	307.5	310.0	312.5	315.0	317.5	320.0	322.5	325.0	327.5	330.0
2025	12	332.5	335.0	337.5	340.0	342.5	345.0	347.5	350.0	352.5	355.0	357.5	360.0
2026	13	362.5	365.0	367.5	370.0	372.5	375.0	377.5	380.0	382.5	385.0	387.5	390.0
2027	14	392.5	395.0	397.5	400.0	402.5	405.0	407.5	410.0	412.5	415.0	417.5	420.0
2028	15	422.5	425.0	427.5	430.0	432.5	435.0	437.5	440.0	442.5	445.0	447.5	450.0
2029	16	452.5	455.0	457.5	460.0	462.5	465.0	467.5	470.0	472.5	475.0	477.5	480.0
2030	17	482.5	485.0	487.5	490.0	492.5	495.0	497.5	500.0	500.0	500.0	500.0	500.0
2031	18	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2032	19	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2033	20	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2034	21	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2035	22	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2036	23	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2037	24	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2038	25	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2039	26	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2040	27	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2041	28	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2042	29	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2043	30	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2044	31	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2045	32	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2046	33	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2047	34	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
2048	35	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0

LETTER X

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LETTER Y

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LETTER Z

AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by the
ALLIED PILOTS ASSOCIATION

This will confirm our agreement concerning maintenance prior to take-off:

A pilot who has maintenance performed on the aircraft after departure from a gate but prior to take-off, and who thereafter performs a take-off without returning to a gate, shall have flight time pay and credit applied from the original time of departure from the gate, including the time spent while having maintenance performed.

A pilot who incurs a maintenance problem while at a gate and who taxis or is towed from such gate to have maintenance performed, and who thereafter performs a take-off without returning to a gate, shall have flight time pay and credit applied from the original time of taxi or tow from the gate, including time spent while having maintenance performed.

A pilot who has maintenance performed after departure from a gate (either under power or by tow), and who subsequent to such maintenance returns to a gate shall be covered under the provisions applicable to a ground interruption.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 20th day of October, 1989.

FOR AMERICAN AIRLINES, INC.

/signed/
R. P. Craviso
Vice President
Employee Relations

/signed/
G. A. Hof, Jr.
Vice President Flight

FOR THE AIRLINE PILOTS IN THE
SERVICE OF AMERICAN AIRLINES, INC
AS REPRESENTED BY THE
ALLIED PILOTS ASSOCIATION

/signed/
F. R. Vogel
President

LETTER AA

December 9, 2013

Captain Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, TX 76155-2512

Affiliation of American Airlines Group, Inc.

Dear Keith:

We write to confirm the following agreement made between the Allied Pilots Association ("APA") and American Airlines Group, Inc. and between APA and American Airlines, Inc. ("American") in the negotiations leading to the Merger Transition Agreement (the "Agreement").

American Airlines Group, Inc. agrees that it is an Affiliate of American and that it is bound by Section 1 of the Agreement in the same manner as American. Any disputes among APA, American, and/or American Airlines Group, Inc. that arise out of grievances or that concern the interpretation of application of this letter or Section 1 of the Agreement will be determined through final and binding arbitration before the APA-American System Board of Adjustment pursuant to Section 1 (Q) of the Agreement. American Airlines Group, Inc. expressly agrees to be subject to Section 1 (Q) in all respects.

Very truly yours,

/signed/

Paul Jones
Senior Vice President and General Counsel
American Airlines Group, Inc.

Agreed to this date:

/signed/

Captain Keith Wilson
President
Allied Pilots Association

LETTER BB

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American Airlines®

May 17, 2001

John E. Darrah, President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, Texas 76155

Processing of Removals from Prior Removal Sequences

Dear John:

This letter will confirm our discussion and understanding regarding the processing of a removed sequence that originates in one month, terminates in the following month, and is modified during the allocation process for the second month (referred to as a changeover pairing or prior removal sequence).

When a pilot is removed from a carryover sequence that subsequently becomes a prior removal sequence as described above, the pilot's record shall retain the sequence as it existed at the time of the removal.

Q: How does the pay and/or credit change for a dropped sequence that is subsequently changed due to a prior sequence removal (changeover pairing)?

[See Q&A [#135](#), [#136](#)]

Date	31	1	2
Original Sequence	5:00	6:00	5:00
Prior Removal	5:00	5:00	

A: In the above example, the value of the fly through time on the 1st and 2nd was 11:00 hours at the time of the sequence drop.

- a. If the sequence was dropped prior to the changeover, the pilot will receive the original 11:00 hours fly through time, or
- b. If the sequence was dropped after the prior sequence removal, the pilot will receive the new fly through time of 5:00 hours.

Very truly yours,

/signed/
Jeff J. Brundage
Vice-President
Employee Relations

Agreed:

/signed/
John E. Darrah
President
Allied Pilots Association

LETTER HH (1)



Via Email and Facsimile

April 12, 2004

Captain John Darrah, President
Allied Pilots Association
14600 Trinity Blvd. Suite 500
Ft. Worth, TX 76155-2512

Re: Displacement Flying While on Union Leave

Dear John:

This is to confirm our agreement that the provisions of Letter HH and the letter of agreement dated May 7, 1992, concerning displacement flying and qualifications for pilots on full time leaves of absence serving as National Officers of the Association (copy attached), are extended to cover any National Officer who is on a union leave of absence other than a full time leave, and designated Committee Chairs and Members by mutual agreement of the Association and the Company.

Sincerely,

/signed/
Mark Burdette
Director, Employee Relations

AGREED:

/signed/
John Darrah, President
Allied Pilots Association

Attachment
[Letter HH(2)]

LETTER HH (2)

May 7, 1992

Richard T. LaVoy
President
Allied Pilots Association
P. O. Box 5524
Arlington, Texas 76005-5524

Dear Captain LaVoy:

This is to confirm our understanding and agreement with respect to pilots on leaves of absence serving as national officers (President, vice President and Secretary/Treasurer) of the Association.

It is mutually agreed and understood that:

1. A national officer on leave of absence for Association business may, in order to maintain proficiency and knowledge of the operation, and with the approval of the Vice President Flight, fly specific trip sequence(s) or specific segment(s) of trip sequence(s) in any given month.
2. The national officer will advise the Vice President Flight, or his designee, of the desired trip sequence or segment(s) of a trip sequence that such pilot wishes to fly.
3. The national officer must be currently qualified for the flying selected and such selection will not trigger training, reassignment, deadheading, or any other penalty or pay liability on the Company.
4. The national officer will fly the entire sequence or segment(s) of a sequence which are selected based on normal reschedule/reassignment procedures.
5. The regular bid pilot displaced by the selected flying of a national officer will be paid and credited for the scheduled time of the selected sequence or segment(s) of a sequence.
6. While performing flying in accordance with this agreement, a national officer will be considered a regular American Airlines employee and governed by all rules and regulations applicable to regular line pilots, except such national officer will receive the sum of one dollar (\$1.00) as total remuneration for each sequence or segment(s) of a sequence, as appropriate, flown in accordance with this agreement in any contractual month and the pay and credit provisions of the Basic Agreement will not apply to such flying.
7. Each national officer will be responsible for remaining currently qualified. A national officer whose currency lapses will not be permitted to requalify until next scheduled for recurrent training. Such national officer whose currency lapses must remain on Association leave until requalified.
8. A national officer who is not on a leave of absence as a full time employee of the Association in accordance with the provisions of [Section 11.F](#) of the Basic Agreement may bid for other bid status; however, such national officer will normally be withheld from any bid status award which would require training. Such withholding will normally continue for the duration of the pilot's term(s) of office. An exception to such withholding

may be permitted by mutual agreement between the Company and the Association to permit a national officer to initially upgrade while still in office.

The above described flying will in no way affect or change vacation accrual per [Section 9](#), sick leave accrual per [Section 10](#) or contributions by the Association to the Pilot Retirement Plan and the Company Group Insurance Plan per [Supplement F](#) and the Employee Benefit Guide.

Nothing in the above obligates a pilot serving as a national officer of the Association to fly one or more trip sequences or one or more segment(s) of a sequence per contractual month. Such flying will be on a personal request basis from the national officers of the Association to the Vice President Flight or his designee.

Very truly yours,

R. P. Craviso
Vice President
Employee Relations

/signed/
W. A. James
Vice President Flight
and Chief Pilot

Agreed to:

/signed/
Richard T. LaVoy/ President
Allied Pilots Association

LETTER II

AmericanAirlines®

May 1, 2003

Captain John Darrah, President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, TX 76155-2512

Re: Union Leave If Needed (PU If Needed)

Dear John:

This letter will confirm our discussions regarding Union Leave (PU) if needed. The APA Leave Coordinator will notify the Company when a reserve pilot serving on a safety, training or aeromedical related committee (Safety, Security, or FOQA) is performing union business and intends to use union leave (PU) if needed for a flight assignment. APA will not be charged union leave until such pilot is needed to fly by assignment (not by proffer). When needed to fly, the APA Leave Coordinator will be notified and the pilot will be placed on union leave (PU) effective that day. This program will be implemented on May 1, 2003.

The intent of this program is to enhance support for safety related activities that benefit both AA and APA.

The following procedures will apply:

1. APA will maintain and provide to the Company a current list of pilots serving on safety related committees approved by APA to use PU if needed.
2. The APA Leave Coordinator will notify, (preferred order) as soon as possible of dates planned for union business:
 - ² Crew Schedule Project Coordinator (817 967-7942) or,
 - ² Senior On Duty (817 967-7069 or 7070) or,
 - ² On midnight shift, the Manager On Duty (817 967-7808)
3. The reserve pilot authorized Paid Union Leave if Needed that is needed for a flight assignment will have the paid union leave code (PU) placed on each day of availability that overlaps the trip sequence to be assigned. For example, a pilot is on PU if needed for the 1st, 2nd, and 3rd. If crew schedule calls the pilot for a three day trip sequence on the 2nd, PU shall be placed on the pilot's activity record for the 2nd and 3rd and the union shall be charged for two days of availability at the pilot's daily rate.
4. PU If Needed may not be used for removal from a scheduled training course.

Sincerely,

/signed/

Mark Burdette
Director, Employee Relations, Flight

Agreed and Accepted:

/signed/_____
John Darrah, President
Allied Pilots Association

LETTER JJ (1)

December 11, 1997

Captain Richard LaVoy
President
Allied Pilots Association
P. O. Box 5524
Arlington, TX 75050-5524

Dear Captain LaVoy:

[Section 1.D.\(8\)\(c\)](#) of the AA/APA Agreement effective May 5, 1997; provides as

[Section 1.D.(8)(c) updated to Section 1.D.7.c. May 5, 1997 updated to May 1, 2003. See [Letter QQ: "Summary of Updates"](#)]
follows: "The Company shall discuss with the Association any plans to enter into new codesharing or ownership arrangements with any Commuter Air Carrier prior to the implementation of such arrangements."

[Section 1.D.\(8\)\(b\)](#) provides that the Company conduct quarterly reviews with the

[Section 1.D.(8)(b) updated to Section 1.D.7.b. See [Letter QQ: "Summary of Updates"](#)]
Association to provide the data necessary to verify compliance with certain provisions of [Section 1](#) which apply to the Company's arrangements with Commuter Air Carriers.

It is agreed that, in order to comply with the provisions of [Section 1.D.\(8\)\(c\)](#), the

[Section 1.D.(8)(c) updated to Section 1.D.7.c. See [Letter QQ: "Summary of Updates"](#)]
Company will at each quarterly review, as provided in [Section 1.D.\(8\)\(b\)](#), notify

[Section 1.D.(8)(b) updated to Section 1.D.7.b. See [Letter QQ: "Summary of Updates"](#)]
and discuss with the Association any plans to enter into any new codesharing or ownership arrangements with any Commuter Air Carrier. However, if the Company plans to enter into such an arrangement, which has not been discussed with the Association, before the next scheduled quarterly review, the Company will promptly notify the Association and conduct discussions as provided in [Section 1.D.\(8\)\(c\)](#). In

[Section 1.D.(8)(c) updated to Section 1.D.7.c. See [Letter QQ: "Summary of Updates"](#)]
either circumstance, the Company will review with the Association the projected benefits to the Company from the planned arrangement.

In addition, although [Section 1](#) does not include a requirement for the Company to notify or conduct discussions with the Association prior to implementing a new codesharing agreement with an international carrier, it is agreed that the Company will at each quarterly review, as provided in [Section 1.D.\(8\)\(b\)](#), notify

[Section 1.D.(8)(b) updated to Section 1.D.7.b. See [Letter QQ: "Summary of Updates"](#)]
and discuss with the Association any plans to enter into any new codesharing agreement with any international carrier. Further, if the Company-- plans to enter into such an arrangement, which has not been discussed with the Association, before the next scheduled quarterly review, the Company will promptly notify the Association and conduct discussions concerning the planned international codesharing agreement. In either circumstance, the Company will review with the Association the projected benefits to the Company from the planned arrangement.

AMERICAN AIRLINES, INC.

/signed/
Susan M. Oliver
Vice President
Employee Relations

AGREED:

/signed/
Captain Rich Lavoy
Allied Pilots Association

LETTER JJ (2)

August 7, 1998

Captain Richard LaVoy
President
Allied Pilots Association
P. O. Box 5524
Arlington, TX 75050-5524

Removing the AA Code from Other Airlines Flights

Dear Captain LaVoy:

This letter confirms an agreement between the Allied Pilots Association ("Association") and American Airlines, Inc. ("Company,") regarding those circumstances where, pursuant to [Section 1](#) of the AA/APA Agreement, it is necessary for American to remove its code from a flight or flights operated by another airline:

- A. Whenever the Company requires Association approval to place or maintain the code on a Canadian flight pursuant to Section 1 .G.(1)(b)(i), and the Association does not grant such approval:
 - 1. Within one business day after the January 1 on which such approval is required, the Company shall issue an Availability Status Message closing the AA* flight to future booking activity under the AA* code for the period from the following business day until and including the December 31 next succeeding the January 1 on which such approval is required.
 - 2. Within two business days after the January 1 on which such approval is required, the Company shall issue a schedule change resulting in the removal of the affected AA* flight activity from availability displays in the affected market to be effective for the period from ten business days after the Company issues such notice until and including the December 31 next succeeding the January 1 on which such approval is required.
 - 3. The Company shall exert its best efforts to ensure that within 14 business days after the above actions are taken, the affected AA* flight displays for the affected period are suppressed on airline, airport and travel agency reservation systems worldwide.
- B. Whenever the Company requires Association approval to place or maintain the AA* code on (1) a Canadian flight under circumstances other than those specified in Section 1.G.(1)(b)(i), or (2) a flight operated by an airline other than a Foreign Carrier, and the Association does not grant such approval, the Company shall take whatever actions are necessary to ensure that the affected AA* flight is closed to future booking activity, the affected AA* flight activity is removed from availability displays in the affected market, and the affected AA* flight displays are suppressed on airline, airport and travel agency reservation systems worldwide within 20 business days from the receipt of the Association's written notice of disapproval.
- C. Whenever the Company requires Association approval to place or maintain the AA* code on a flight operated by a Foreign Carrier, and the Association does not grant such approval, the Company shall take whatever actions are necessary to ensure that the affected AA* flight is closed to future booking activity, the affected AA* flight activity is removed from availability displays in the affected market, and the affected AA* flight displays are suppressed on airline,

airport and travel agency reservation systems worldwide within 30 business days from receipt of the Association's written notice of disapproval.

- D. The parties further agree that the phrase "any flights scheduled by Canadian on which the Company did not have its code on the preceding January 1" as used in Section 1 .G.(1)(b)(i) includes frequencies added in a market after the preceding January 1, even though other frequencies flown in the market on the preceding January 1 may have carried the AA* code. The parties do not intend this provision "D" to create any implication as to other provisions in Section 1 of the Agreement.

It is understood and agreed that the above timelines shall not apply to any situation where Section 1 of the AA/APA Agreement requires the Company to withdraw entirely from an agreement with a codesharing partner, except that the time line in B.(2) above shall apply to removing the code from the Hawaiian inter-island flying referenced in [Section 1.F.](#) of the Agreement if the Association withdraws its consent to such codesharing in accordance with that provision.

Sincerely,

/signed/
Sue Oliver
Vice President
Employee Relations

Agreed:

/signed/
Captain Rich LaVoy
President
Allied Pilots Association

LETTER JJ (3)

August 7, 1998

Captain Richard LaVoy
President
Allied Pilots Association
P. O. Box 5524
Arlington, TX 75050-5524

Route Profitability Analyses

Dear Captain LaVoy:

This will confirm our agreement regarding route profitability analyses.

1. At least ten calendar days before each quarterly Scope Review meeting scheduled by the parties, the Association will provide to the Company, in writing, up to five city pairs, whether transborder, international or domestic, in which the Company is currently codesharing but in which the Association believes the Company may be able to operate (a) flight(s) that would earn a return on invested capital at least equal to WACC. The Association will designate one city pair for a "microforecast" and up to four city pairs for "preliminary" route profitability analyses.
2. American will make appropriate Company personnel available at the Scope Review meeting to discuss route profitability analyses for each of the city pairs referred to in paragraph 1. During these discussions, the parties will reach a consensus regarding reasonable assumptions on schedules and aircraft types to be used in the analyses. The parties will agree on one such "mix" for the city pair designated for the microforecast, one such mix for each of two preliminary route profitability analyses and no more than two such mixes for each of the two remaining city pairs designated for preliminary route analyses. For domestic owned commuter partners, e.g. American Eagle, the assumptions may reflect changes in both AA and partner schedules. Otherwise, the assumptions will address only changes in AA's schedule and the parties hereby reserve their respective positions as to whether their Collective Bargaining Agreement may ever require the analyses to assume (a) change(s) in whether a non-owned codesharing partner carries the AA code on (a) particular frequency/ies).
3. At least 20 days before the next respective quarterly Scope Review meeting, the Company will provide the route profitability analyses for each of the requested city pairs referred to in paragraph 1.
 - a. A "microforecast" will provide at least the same level of detail provided by the Company to the Association for the DFW-HOU city pair in June 1998 (attached at "A") and will include the onboard contributions of local and beyond market revenue from the top ten beyond markets, by market, to the projected revenue for the projected AA service.
 - b. Each "preliminary" route profitability analysis will provide at least the same level of detail shown on the template provided to the Association by the Company on July 8, 1998 (attached at ["B"](#)), and will include the underlying AA and competitive schedule assumptions, including any AA* codeshare schedules, and a data base date stamp.
 - c. At each quarterly Scope Review meeting, the Company will make appropriate personnel available to conduct a discussion of market overview and sensitivity to potential market changes for each route profitability analysis which it has provided to the Association.

4. In the event that any preliminary route profitability analysis requested in paragraph 1 above shows a negative WACC margin of 1.5% or less, the Company will also produce a microforecast for the requested mix in that city pair deliverable at the same time as the requested preliminary analysis without any additional request from the Association. In no case, however will this "automatic trigger" result in more than 3 additional microforecasts per quarter beyond the one requested by the Association. When requesting the preliminary analyses, and in order to determine the priority of additional microforecasts in the event that more than 3 preliminary analyses show a negative WACC margin of 1.5% or less, the Association will provide the Company with directions for determining which mixes in which city pairs the Company will use in performing the additional 3 microforecasts.

5. In addition to the profitability analyses referred to in paragraph 1, the Association may request a profitability analysis for a specific route on which the Company is codesharing which the Company has already performed as part of its route planning process within the 12 months prior to such request. The Company will provide the Association with such current profitability analysis.

The Association may also request a profitability analysis for a specific route on which the Company is not codesharing which the Company has already performed as part of its International route planning process within the 12 months prior to such request. The Company will provide the Association with such current profitability analysis provided there is a reasonable rationale for the Association's request.

6. No later than August 21, 1998, the Company will provide APA pilot members of the Association's Scope Compliance Committee with an expanded briefing regarding the system scheduling and route profitability models, including the items labeled "Schedule Process Decision Making" and "Constraints" on the Planning Process Overview document provided to the Association on July 7, 1998 (attached at "C"). In addition, if the Company makes any changes to the method used in this route planning process, the Company will conduct a follow up briefing on those changes for the APA pilot members of the Association's Scope Compliance Committee no later than the next quarterly Scope Review meeting.

7. No later than August 21, 1998, in order to facilitate the Association's selection of city pairs for which the Company will provide the analyses referenced in paragraph 1 above, the Company will provide the Association with a list of the top ten Eagle city pairs. The selection and ranking of the ten city pairs will be based on onboard and connecting revenue per asm, provided each market averaged at least 200 passengers per day each way over the most recent six months and is over 130 nautical miles.

Very Truly Yours,

/signed/
Sue Oliver
Vice President
Employee Relations

Agreed:

/signed/
Captain Rich LaVoy
President
Allied Pilots Association

ATTACHMENT A

DFW-HOU PROFITABILITY 8 Roundtrips Daily with F-100

<u>FINANCIALS:</u>	<u>PER DAY</u>
---------------------------	-----------------------

Passenger Revenue	74,595
All other Revenue	<u>4,545</u>
Total Onboard Revenue	79,140

Psgr. Var. Expenses	22,648
Direct Capacity Expenses	52,152
All other Expenses	<u>27,677</u>
Total Onboard Expenses	102,477

Onboard Pre-tax Earnings	(23,337)
Provision for taxes	<u>(8,635)</u>
After-tax onboard Earnings	(14,702)

After-tax beyond Earnings	3,008
Total Onboard + Beyond After-tax Earnings (WACC)	<u>(11,694)</u>
WACC Margin	(6.1%)

STATISTICS:

Daily ASMS	383,344
Daily RPMS	307,228
Load Factor	80.1%
Revenue/ASM	20.6¢
Cost/ASM	26.7¢
Yield	24.3

DFW-HOU (8 Roundtrips Daily with F-100)

<u>BREAKDOWN OF "ALL OTHER EXPENSES"</u>	<u>PER DAY</u>
Cargo Expenses	1,282
System/administration Expenses	8,122
Station-specific Expenses	10,742
Indirect Labor Expenses	5,442
Indirect Maintenance Expenses	<u>2,089</u>
All Other Expenses	27,174

Notes:

1. Cargo Expenses Include: freight services, freight agents, cargo fuel, cargo ramp services, cargo ramp overhead, freight administration, freight sales and advertising expenses,
2. System/administration Expenses include: psgr advertising, psgr sales, indirect ticketing, indirect reservations, misc psgr administration, tour marketing, operations administration, crew scheduling, system general administration, and system assets ownership expenses.
3. Station-specific Expenses include: ground equipment maintenance, Indirect ramp end cabin services, indirect load & clearance, indirect psgr services, station rent, station administration and station assets ownership expenses.
4. Indirect Labor Expenses include: pilots/flight attendants pay & credit, travel & incidental, training and non productive expenses.
5. Indirect Maintenance Expenses include: indirect maintenance and aircraft cleaning expenses.

Arln	Flt#	Eff Date	Disc Date	Freq	Departure Sta Time	Arrival Sta Time	Eqp Typ	Blk CdTime
	2701	07/09/99	07/09/99	MTWTFSS	DFW.0635	HOU 0736	F110	01:01
	2703	07/09/99	07/09/99	MTWTFSS	DFW 0915	HOU 1022	F110	01:07
	2705	07/09/99	07/09/99	MTWTFSS	DFW 1037	HOU 1140	F110	01:03
	2707	07/09/99	07/09/99	MTWTFSS	DFW 1241	HOU 1345	F110	01:04
	2709	07/09/99	07/09/99	MTWTFSS	DFW 1416	HOU 1529	F110	01:13
	2711	07/09/99	07/09/99	MTWTFSS	DFW 1710	HOU 1824	F110	01:14
	2713	07/09/99	07/09/99	MTWTFSS	DFW 1837	HOU 1945	F110	01:08
	2715	07/09/99	07/09/99	MTWTFSS	DFW 2212	HOU 2308	F110	00:56
	2702	07/09/99	07/09/99	MTWTFSS	HOU 0626	DFW 0722	F110	00:56
	2704	07/09/99	07/09/99	MTWTFSS	HOU 0721	DFW 0824	F110	01:03
	2706	07/09/99	07/09/99	MTWTFSS	HOU 0847	DFW 0951	F110	01:04
	2708	07/09/99	07/09/99	MTWTFSS	HOU 1056	DFW1156	F110	01:00
	2710	07/09/99	07/09/99	MTWTFSS	HOU 1214	DFW 1319	F110	01:05
	2712	07/09/99	07/09/99	MTWTFSS	HOU 1523	DFW 1627	F110	01:04
	2714	07/09/99	07/09/99	MTWTFSS	HOU 1635	DFW 1743	F110	01:08
	2716	07/09/99	07/09/99	MTWTFSS	HOU 1935	DFW 2042	F110	01:07

ATTACHMENT B

Preliminary XXX-YYY Profitability
N Roundtrips Daily for Z Aircraft Type

Daily ASMs
Daily RPMs
Load Factor
Yield
Revenue per ASM
Cost per ASM

Estimated WACC Margin

ATTACHMENT C

Planning Process Overview

Planning Timetable 18 Month Plan Process

Schedule Planning Timetable:

Oct-Dec	- Develop Summer Schedule
Jan	- Summer Schedule in SABRE
Feb	- Complete 18-Month Schedule with Summer as Base
Mar	- Issue 18-Month Plan and Final Summer in SABRE
Apr-Jun	- Develop Winter Schedule
Jul	- Winter Schedule in SABRE
Aug	- Complete 18-Month Schedule with Winter as Base
Sep	- Issue 18-Month Plan and Final Winter in SABRE

Process Flow

- **Preparation**

- Industry Macro Forecast
- Industry Forecast by Market
- Competitive Schedules
- AA Input Schedules
- Constraints

- **Decision Making**

- Run Models
- Examine Output
- Make Corrections
- Re-run Models
- Make Decisions

- **Implementation**

- Finalize Schedule
- Publish Schedule

Schedule Process

Decision Making

Inputs

World Economics

Industry Capacity
Industry Schedules
O & D Passenger Prices

- Fare Proration

O & D Price Elasticity
O & D Market Sizes & Seasonality
Market Override
Cargo Capacity
Cargo Price
Cargo Volume
Unit Costs
Aircraft Ownership Costs
Fleet Assumptions
Schedule Parameters

- Block Times
- Ground Times
- Connect Times
- ATC Flow Rates
- Dependability Maps
- Maintenance
- Spare Aircraft
- Pilots/Flight Attendants
- Facilities
- Spare Gates
- A/C Operating Capability
- Slots, Curfews
- Gov't Regulation
- Field Manning Formulas

Overbuilt
AA
Schedule

AA
Schedule
and
Fleet
Plans

Outputs

Financial Plans
Fleet Plans
Sales Plans
Pricing Plans
Yield Management Plans
Maintenance Plans
Operations Plans
Manning Plans
Facility Plans
Food & Beverage Plans
Fuel Purchase
Reservations Plans
Communications
OAG
Timetable
FOS
FIDS
Governmental Reporting

Constraints

- Access Plans/Slots
- Aircraft
- Airport
- Block Times
- Crews - Hours and Location
- Dependability
- Facilities/Gates
- Ground Equipment
- Lounge Isolations
- Maintenance Parameters
- Manning
- Marketing
- Minimum Revenue Guarantees
- Noise
- Other Airline Handling Agreements
- Payload Restrictions
- Seasonal Traffic Patterns
- Similar Call Signs
- Terminal Isolations

LETTER JJ (4)

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LETTER JJ (5)

June 14, 2001

Captain John E. Darrah
President
Allied Pilots Association
14600 Trinity Blvd., Ste. 500
Fort Worth, TX 76155

Baseline Correction

Dear Captain Darrah:

The baseline for any particular year is a function of a large number of calculations over a significant period of time. Most of the calculations for a given baseline involve data from the prior two years. However, because each year's baseline is calculated by adding and subtracting hours from the previous baseline, the accuracy of each year's baseline depends on the accuracy of those prior. There are also cases (e.g. when the "route bank account" is employed) where specific flying prior to the past two years is incorporated into the current year's baseline calculation.

In light of the interrelationship between prior and current baseline calculations, and in order to ensure that all baselines moving forward are as accurate as possible, the following is a general rule for addressing an error found in a previously agreed-to baseline:

If both parties agree that a calculation error or other mistake in applying the Baseline Rules was made in a previously agreed-to baseline, and if the mistake has an impact (or potential impact) on the number of hours in a future baseline, then the mistake will be corrected. The correction will be made on a moving-forward basis, with data specifying the correction shown on the cover page to the next baseline to be agreed to. In the event that only one party believes a calculation error or other mistake was made in a previously agreed-to baseline, the baseline will remain as previously established and shall not be subject to any modification on a moving-forward basis.

In any specific case, the parties may of course agree on an alternative correction measure if they believe circumstances warrant.

Sincerely,

/signed/
Jeff Brundage
Vice President Employee Relations

Agreed:

/signed/
Captain John Darrah
President
Allied Pilots Association

LETTER JJ (6)

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AmericanAirlines®

February 1, 2004

Captain John E. Darrah
President
Allied Pilots Association
14600 Trinity Boulevard, Ste 500
Fort Worth, TX 76155

Re: Pilot Long Term Disability Plan

Dear Captain Darrah:

This letter confirms the agreement to provide a new long-term disability plan for pilots ("Pilot LTD Plan") for disabilities incurred on or after February 1, 2004. Such Pilot LTD Plan shall provide the disability benefits required under Supplement F and be subject to all provisions of Supplement F and the Pilot Retirement Benefit Program (the "Program") relating to the disability retirement benefit, except for the requirement that the benefit be paid from the Program and the one year waiting period for participation. Furthermore, a disabled pilot who resumes duties as an active pilot, but returns to disability status due to the same cause within 31 days of the commencement of flight crewmember training shall resume his disability benefit under the Pilot LTD Plan or the Program, as applicable, following the last day paid as an active pilot. The monthly benefit will be the same amount as the pilot received prior to returning to work and the pilot will not be required to satisfy a new elimination period. Monthly benefit payments will be made on the same pay schedule as a line pilot's regular paycheck. All other provisions of Supplement F, including the continued accrual of Credited Service for periods that a pilot receives a disability benefit, shall continue in full force and effect.

The Program shall be amended to remove the Disability Retirement provisions for all disabilities incurred on or after February 1, 2004 and such disabilities shall be paid from the Pilot LTD Plan. Disabilities incurred prior to February 1, 2004 shall continue to be paid from the Program in accordance with provisions in effect on January 31, 2004.

With respect to the long term funding of the Pilot LTD Plan, American Airlines, Inc, ("Company") shall pay all benefits as they become payable and may establish a trust from which to fund and pay benefits.

The Company shall provide the Allied Pilots Association ("Association") with an annual accounting of all payment from the Pilot LTD Plan and, upon request by the Association, information necessary to independently audit the funded status or operation of the Pilot LTD Plan. In addition, the Company shall provide the Association with a copy of any annual report required to be filed with any governmental agency or required by any other regulatory organization within ten (10) days of filing such report.

All documentation regarding the establishment of this Pilot LTD Plan shall be established by mutual agreement between the Association and the Company. Any subsequent modification of the Pilot LTD Plan shall be subject to the provisions of Supplement F(4). Any disputes under this letter of agreement shall be handled in accordance with the provisions of Supplement F(4).

Pilots disabled after January 31, 2004 shall receive medical and dental coverage under the pilot active medical plan. The Company shall make every reasonable effort to ensure that such pilots are able to participate completely in all benefits, rights and features of the active medical and dental plan (e.g., the ability to make pretax contributions for medical coverage and flexible spending accounts, select among all benefit options provided to active participants, continue active dental coverage, among others). Any costs or savings resulting from disabled pilots participating in the active medical plan shall apply to the \$10,000,000 annual savings in active medical and dental costs.

Sincerely,

/signed/
Mark L. Burdette
Director of Employee Relations, Flight

Agreed and Accepted:

/signed/_____
Captain John E. Darrah
President, Allied Pilots Association

LETTER KK (2)

Captain Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Re: Pilot Long Term Disability Plan On and After October 1, 2012

Dear Captain Wilson:

This letter confirms the agreement between American Airlines, Inc. ("Company") and the Allied Pilots Association ("Association") to provide a new long-term disability plan for pilots (the "2012 Pilot LTD Plan") whose dates of disability commence on and after October 1, 2012. Pilots whose dates of disability precede October 1, 2012 will receive disability benefits pursuant to the terms of the February 1, 2004 Pilot LTD Plan (the "2004 Pilot LTD Plan") or the Fixed Income Plan ("Pilot DB Plan") of the American Airlines, Inc. Pilot Retirement Benefit Program ("Program"), as applicable, subject to Paragraph 12 below.

The 2012 Pilot LTD Plan shall have the following provisions:

1. Benefit Amount. The 2012 Pilot LTD Plan shall provide a disability benefit amount equal to sixty percent (60%) of Average Monthly Compensation (as that term is defined in the 2004 Pilot LTD Plan) up to a maximum monthly benefit of \$8,000.
2. Benefit Offsets. Benefits under the 2012 Pilot LTD Plan ("LTD benefits") shall be offset by the following sources of income:
 - a. Social Security Disability benefits (both individual and family benefits) if due to the pilot's disability;
 - b. Workers' Compensation, if due to the pilot's disability;
 - c. State Disability benefits, if due to the pilot's disability; and,
 - d. Other earned income received more than forty-eight (48) months after the effective commencement date of LTD benefits.
3. Social Security Disability Benefits. Pilots who are eligible to receive Social Security Disability benefits must apply for them in order to be eligible for LTD benefits.
4. Duration of LTD Benefit Payments. LTD benefits shall be paid for up to twenty-four (24) months for disability from the occupation of an airline pilot due to a medical condition or treatment for that medical condition. After twenty-four (24) months of LTD benefit payments, the pilot will continue to be considered disabled if the pilot is unable to earn more than 80% of the pilot's pre-disability Compensation (as that term is defined in the 2004 Pilot LTD Plan) earned at the Company in the twelve (12) months prior to the pilot's date of disability.
5. Mental/Nervous and Chemical Dependency Diagnoses Limitation. Pilots shall be entitled to a cumulative lifetime maximum of up to twenty four (24) months of LTD benefits for chemical dependency and/or mental/nervous diagnoses under the 2012 Pilot LTD Plan. A chemical dependency and/or mental/nervous diagnosis under the 2004 Pilot LTD Plan and/or the Pilot DB plan will count toward the twenty-four (24) months lifetime maximum. For example, a pilot who received twelve (12) months of disability benefits under the 2004 Pilot LTD Plan as a result of a chemical dependency diagnosis shall be entitled to receive no more that twelve (12) additional months of disability benefits under the 2012 Pilot LTD Plan as a result of a subsequent chemical dependency and/or mental/nervous diagnosis. Pilots who are disabled

for multiple reasons shall continue to receive disability benefits for as long as they otherwise qualify for payment due to a disability that is not limited by this paragraph 5.

6. Appropriate Care and Treatment. LTD benefits are payable only when the pilot is seeking appropriate care and treatment for the disabling condition.
7. Claims Filing Period. All claims under the 2012 Pilot LTD Plan must be filed within one (1) year after the pilot's date of disability in order to be eligible for benefits.
8. Claim Filing Procedures and Verification of Disabilities. Claim filing procedures will be determined by the Company and/or the third party administrator. Pilot disabilities shall be verified by the third party administrator. Pilot disabilities may be subject to re-verification by the Company and/or third party administrator, when appropriate, but in no event more than once in any 90-day period.
9. Administration. The 2012 Pilot LTD Plan shall be administered by a third party administrator to be mutually determined by the Company and the Association. The Association's consent to the selection of a third party administrator will not be unreasonably withheld.
10. Independent Clinical Source. Any disputes arising as to the clinical validity of a claim or as to the continuation of disability once commenced will be referred to an independent clinical source to be mutually determined by the Company and the Association. The decision of the independent clinical source shall be final and binding upon the Company, the Association and the pilot in question. The cost involved in such proceeding shall be equally shared by the Association and the Company. The Association's consent to the selection of an independent clinical source will not be unreasonably withheld. This paragraph supersedes all letters and prior agreements related to the selection of an independent clinical source or independent clinical reviewer for the 2004 Pilot LTD Plan and the Pilot DB Plan.
11. Eligibility for Pension Contributions and Service. Pilots who are receiving LTD benefits will not be eligible for contributions to any defined contribution or 401(k) plan sponsored by the Company, including the Variable Income Plan ("Pilot B Plan") of the Program. Further, effective as of the freeze date of the Pilot DB Plan, pilots who are receiving LTD benefits shall not earn credited service for the purpose of determining the amount of benefits under the Pilot DB Plan. However, such pilots shall continue to earn credited service after the freeze date of the Pilot DB Plan solely for the purpose of determining eligibility for vesting and Early Retirement under the Pilot DB Plan.
12. Pilots Receiving Disability Benefits from Other Plans. The provisions of Paragraphs 8, 9, 10, 11 and 15 of this Letter KK(2) shall also apply to pilots receiving disability benefits under the 2004 Pilot LTD Plan and the Pilot DB Plan, notwithstanding any inconsistent contractual provisions, past practices, or arbitration awards between the parties.
13. Plan Documentation. All documentation regarding the establishment of the 2012 Pilot LTD Plan shall be established by mutual agreement between the Association and the Company. Any subsequent modification of the 2012 Pilot LTD Plan shall be subject to the provisions of Supplement F(4). Any disputes under this letter of agreement shall be handled in accordance with the provisions of Supplement F(4). The Company will retain the right to amend any provision in the 2012 Pilot LTD Plan for the purpose of complying with applicable laws and regulations. The Company will provide the Association with advance notice of any amendment to the 2012 Pilot LTD Plan.
14. Medical. Pilots disabled under the 2004 Pilot LTD Plan or the 2012 Pilot LTD Plan shall receive medical and dental coverage under the active medical plan in accordance with the provisions of Supplement (K).
15. Recurring Disability. Effective January 30, 2015, in the event a disabled pilot resumes duties as an active pilot, but returns to disability status due to the same cause within ninety (90) days of the date the pilot commenced flight crewmember training, the disability will be treated as the same disability. The pilot will not have to satisfy a new elimination period and monthly disability benefits will resume immediately following the last paid day as an active pilot from the plan in which he was receiving disability payments immediately prior to resuming duties as an active pilot. The amount of the monthly disability benefit will be the same as the disabled pilot received prior to returning to work.

Very truly yours,

/signed/

Beth Holdren

Managing Director Labor Relations - Flight

Agreed:

/signed/

Captain Keith Wilson

President

Allied Pilots Association

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LETTER TT

December 17, 2003

Captain John Darrah, President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, TX 76155-2512

Re: Furlough Stand in Stead

Dear John:

In recognition that there exists within the AA pilot seniority list some pilots that would preference or proffer the opportunity to move from an active pilot to a furloughed pilot, the Company and the Association agree to establish a Furlough Stand in Stead Provision effective on December 20, 2003. The following provisions shall apply:

1. Eligibility

The Furlough Stand in Stead Provision shall be available to all pilots on the AA pilot seniority list (this includes PLOA, MDSB and MLOA, in addition to Active Flying Status).

2. Conditions

A pilot electing to utilize the Furlough Stand in Stead provision shall be entitled to all benefits and privileges that the pilot would otherwise be entitled to if he/she would have been involuntarily furloughed on that date except as follows:

- a. Furlough Pay Months: The furlough pay months shall be the lesser of what the individual Furlough Stand in Stead pilot would have been entitled to or the pay months applicable to the senior pilot being furloughed that the Furlough Stand in Stead pilot is replacing.
- b. Furlough Pay Rate: A pilot electing to Furlough Stand in Stead shall receive furlough pay based upon the lesser of:
 - (1) such pilot's earnings for the last full active month prior to the submission of the Furlough Stand in Stead request, or
 - (2) the earnings for the last full active month prior to the furlough announcement of the senior pilot being furloughed that he/she is replacing.
- c. The furlough pay in 2(B) above shall not be less than the average of Long Call and Short Call reserve guarantee for the bid status of the pilot who would otherwise have been furloughed. The provisions of [Section 17.V.5](#) of the Collective Bargaining Agreement shall apply, except as modified by 2 (A) and (B) above. Comparisons for furlough pay purposes shall be made on a one for one basis matching the most senior pilot electing to Furlough Stand in Stead with the most senior pilot who would have otherwise been furloughed.
- d. The Company shall reduce the total number of future effective furloughs by the number of Furlough Stand in Stead pilots for each future effective furlough. This provision shall **not** apply in the event a Furlough Stand in Stead pilot is inactive at the time of furlough and/or has an extended LOA scheduled at a later date.
- e. Supplement W: Any pilot electing to Furlough Stand in Stead shall be excluded from participation in Supplement W until such time as the pilot would have been furloughed based on his/her seniority.
- f. A pilot electing to Furlough Stand in Stead shall provide a minimum of forty-five (45) days written notice to his/her Chief Pilot. However, in no case shall a pilot be provided with

less than seven (7) days after the date of a future furlough announcement to advise the Company of his/her intention to Furlough Stand in Stead. The minimum notice requirements of this paragraph may be waived at the Company's option. The Furlough Stand in Stead shall commence effective with the first day of the contractual month following the completion of the notification period, subject to Company approval based on operational requirements. In no case shall approval be withheld during a month in which furloughs are scheduled.

- g. A pilot that has been notified of a future effective furlough may also utilize the Furlough Stand in Stead provision to move up his/her furlough date to an earlier contractual month, subject to Company approval based on operational requirements. Such pilot must provide the Company with forty-five (45) days notification, in writing, requesting the earlier furlough date. The minimum notice requirements of this paragraph may be waived at the Company's option.
- h. A pilot who has their Furlough Pay months and/or Furlough Pay rate reduced by Sections 2(A) or 2(B) of this agreement shall have that reduction restored if subsequent to electing to Furlough Stand in Stead he/she has a pilot that is senior to him/her involuntarily furloughed.

Notwithstanding the above conditions, there shall be no further distinction between a Furlough Stand in Stead pilot and a pilot that was involuntarily furloughed under [Section 17](#) of the Collective Bargaining Agreement. Furloughed pilots shall be recalled in seniority order to American Airlines.

Sincerely,

/signed/

Mark Burdette

Director, Employee Relations, Flight

Agreed and Accepted:

/signed/

John Darrah, President

Allied Pilots Association

LETTER UU

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LETTER VV

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LETTER WW

Note: This Letter WW will not be in effect upon the implementation of PBS and the elimination of CPA

May 19, 2004

Captain John Darrah, President
Allied Pilots Association
14600 Trinity Blvd. Suite 500
Ft. Worth, TX 76155-2512

Re: CPA Fill Up/Payout Option

Dear John:

This letter will confirm our discussions concerning the agreed upon changes to the automatic Credit Plan Account (CPA) fill up/spillback provisions of [Section 15.A.6](#), of the 2003 CBA. The parties agree that CPA fill up will no longer be automatic and will, instead, be at pilot option subject to the same limits currently contained in [Section 15.A.6.a](#) of the 2003 CBA. The parties further agree that CPA spill back provisions of Section 15.A.6.b will be eliminated. Provisions providing for the conversion of CPA hours in excess of fifty (50) hours will continue to be paid out in accordance with Section 15.A.6 of the 2003 CBA

Your signature below will confirm agreement on the following five changes to the Basic Agreement. [Section 15.A.6.a](#) of the May 1, 2003, Basic Agreement shall hereby be replaced with the following paragraph:

Fill up. At the end of the contractual month CPA time (in one-minute increments) will, at the pilot's option, be used to fill up a pilot's pay projection (PPROJ) for that month up to the monthly maximum for that month. All such fill up shall be applied after the provisions of Sections 4.A and B. (Minimum Guarantees) and 6.C.2. (Apportionment) and any applicable pay-no credit provisions, if applicable, have been satisfied.

Section 15.A.6.b shall hereby be replaced by the following paragraph:

Optional Pay Out. A pilot may make a monthly election to receive up to ten (10) hours CPA time (in one-minute increments) as pay provided that a pilot's bank is not debited to a negative balance. Such CPA time shall be paid at rates on the highest equipment on the monthly trip selection to which it is applied and shall be paid in addition to the pilot's Pay Projection (PPROJ) after all other contractual applications have been applied (e.g., CPA fill up, pay-no-credit applications, apportionment, etc.).

Supplement N(1) having been incorporated into Section 15.A.6.b., of the 2003 CBA, is now redundant and is therefore eliminated.

[Q&A Number 55](#) is amended to read as follows:

Q. Can fill up time be offset by the guarantee (regular or reserve)?
A. No. Fill up will only be applied after guarantee and any flight time apportionment, if applicable.

[Q&A Number 56](#) is amended to read as follows:

Q. How is fill up optional pay out, or payout of CPA in excess of fifty (50) hours paid?

A. At rates on the highest equipment on the monthly trip selection in which it is applied or the hourly rate of the equipment from which the pilot is being withheld, whichever is greater.

Sincerely,

/signed/
Mark Burdette
Director, Employee Relations, Flight

Agreed and Accepted:

/signed/
John Darrah, President
Allied Pilots Association



May 19, 2004

Captain John Darrah, President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, Texas 76155

Dear John:

This letter reflects our mutual agreement concerning a pilot's ability to convert Vacation Bank hours into CPA Bank hours.

A pilot may convert Vacation Bank hours into CPA Bank hours at any time during the vacation year. This conversion will be accomplished in the same manner as the conversion of Vacation Bank hours associated with "floated weeks" of vacation. Excess Vacation Bank hours at the end of the vacation year will be treated in accordance with Section 9 of the Collective Bargaining Agreement.

Floating vacation periods in a given month will first be proffered to pilots originally awarded a floating vacation during the annual vacation award process. Any remaining floating vacations will then be made available for bid to any other pilot in the bid status.

This provision will be in effect from May 1, 2004 to April 30, 2005 and continuously thereafter provided, however, that it may be discontinued by either party after April 30, 2005.

Sincerely,

/signed/

Mark Burdette

Director, Employee Relations, Flight

Agreed and Accepted:

/signed/

John Darrah, President
Allied Pilots Association



August 1, 2004

Captain Ralph Hunter, President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, TX 76155-2512

Re: National Officers and Union Leave If Needed (PU If Needed)

Dear Ralph:

This letter will confirm our discussions regarding the addition of the APA National Officers to Letter II of the Basic Agreement.

Effective August 1, 2004, the APA Leave Coordinator will notify the Company when a reserve pilot serving as a National Officer is performing union business and intends to use union leave (PU) if needed for a flight assignment. APA will not be charged union leave until such pilot is needed to fly by assignment (not by proffer). When needed to fly, the APA Leave Coordinator will be notified and the pilot will be placed on union leave (PU) effective that day.

The same procedures that apply to Letter II will be followed for the National Officers.

Sincerely,

/signed/

Mark Burdette
Vice President, Employee Relations

Agreed and Accepted:

/signed/

Ralph Hunter, President
Allied Pilots Association



February 9, 2005

Captain Ralph Hunter, President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, Texas 76155

Re: Establishment of FOQA Program

Dear Ralph:

This letter reflects our agreement to establish a Flight Operations Quality Assurance ("FOQA") program at American Airlines. We share the goal of developing the best safety program in the airline industry, and we have a proven working relationship in mutually beneficial areas of safety, security and training programs.

The Company and the Association therefore agree to establish a FOQA program under the following terms:

1. The Company and the Association shall agree on the specific policies and procedures of a FOQA program through a "Memorandum of Understanding" ("MOU") before the program's implementation. Once implemented, changes may only be made to the program by written agreement. Additionally, the Company and the Association shall include in an acceptable Letter of Agreement the specific contractual protections afforded pilots before the implementation of the FOQA program.
2. The Company agrees to reimburse the Association's paid union leave ("PU") expense for all "mutually beneficial" activities. "Mutually Beneficial" activity reimbursement will include, but not be limited to:

A. All union leave (PU) granted to the Association's Safety Committee Chairman;

B.All union leave (PU) granted to pilots necessary to directly support the ASAP and FOQA programs;

C.Twelve (12) Special Assignment (SA) days per year for use at the Association's sole discretion; and

D.Leave granted to the Association's Security, Training and Aeromedical Committee Chairmen while engaged in "mutually beneficial activities".

"Mutually beneficial activities" eligible for PU expense reimbursement (including, but not limited to items in 2. D. above) will be agreed upon in advance by the Chairmen of the applicable Association Committees and their Company counterparts (i.e. the Managing Director of Flight Operations, Training, Security, etc., or their designated delegates).

The decision as to whether any given activity is "mutually beneficial" or not shall be based on the standard of "Work done by the Association that is of equal or greater benefit to the Company". Should a dispute arise regarding whether an activity is "mutually beneficial" or not, it will be resolved by the Joint Flight Team (JFT) or its successor.

Sincerely,

/signed/

Rose M. Doria

Managing Director, Employee Relations

Agreed and Accepted:

/signed/

Ralph J. Hunter, President

Allied Pilots Association



February 9, 2005

Captain Ralph Hunter, President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, Texas 76155

Re: Paid Union Leave (PU) Administration

Dear Ralph:

This letter will confirm our agreement to establish new additional procedures to administer trip sequences dropped for Association Paid Union Leave (PU):

1. When a paid union leave sequence drop request is:
 - a. Submitted by the Association to Crew Schedule by close of business on the 22nd of the preceding month (or the first business day thereafter if the 22nd is not a business day); or
 - b. If submitted after the 22nd of the preceding month, with 14 or more calendar days' advance notice, or
 - c. Submitted at any time as a result of a Company request for Association presence at a meeting or other function; then,

Should such a sequence drop be granted, it will first be available to AA Flight Standards for OE training purposes. If Flight Standards elects to use all - or a portion of - such a dropped trip for a pilot's OE training, the Association will not be required to reimburse the Company for the value of the sequence. If the Company elects not to use such trip for OE training, it will be placed into open time as soon as practicable.

2. Each month, the Association will identify and document:
 - a. All paid union leave sequence drops submitted in compliance with the conditions in 1. above that are ultimately placed into open time for the previous month, and
 - b. The corresponding reserve pilots who flew such sequences (if any), and
 - c. The number of hours (on a pay and credit basis) that were paid to such reserve pilots in excess of such reserve pilot's guarantee.
3. The Association will then reimburse the Company on a monthly basis for hours identified in 2.c. above, but will not be required to reimburse PU-dropped hours flown by reserve pilots that did not break guarantee.

Sincerely,

/signed/

Rose M. Doria

Managing Director, Employee Relations

Agreed and Accepted:

/signed/

Ralph J. Hunter, President

Allied Pilots Association



February 9, 2005

Captain Ralph Hunter, President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, Texas 76155

RE: APA Staff Pass Travel

Dear Ralph:

This letter reflects our agreement regarding cockpit jump seat authority and Priority Passes for APA staff members. This agreement supersedes and replaces Letter "Y" in the 2003 AA-APA Collective Bargaining Agreement.

Specifically, APA Legal, Safety, & Communications staff necessary to support aircraft accident investigations or related hearings will be provided with A-12 Priority Passes (or equivalent) on American Airlines to travel to the site of such accident or hearings.

Additionally, the Director of Safety, Training, Security & Aeromedical of the Allied Pilots Association will be granted cockpit jump seat authority (or an A-12 Priority Pass or equivalent) on American Airlines to travel to the site of a Company aircraft accident and/or related hearings, or for other agreed-upon activities that are "mutually beneficial" to the Association and the Company.

Finally, this will confirm that members of the APA Accident "Go Team" will be provided with A-12 Priority Passes (or equivalent) on American Airlines to travel to the site of a Company aircraft accident.

Sincerely,

/signed/

Rose M. Doria

Managing Director, Employee Relations

Agreed and Accepted:

/signed/

Ralph J. Hunter, President

Allied Pilots Association



September 28, 2005

Captain Ralph Hunter, President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, Texas 76155

RE: Military Charter Flights

Dear Ralph:

This agreement specifies procedures for conducting certain Military Charter Flights ("MCF") that cannot be operated under the AA-APA Basic Agreement and / or Supplement "H" ("CRAF Operations"). It replaces the "Military Charter Memorandum of Understanding" dated February 6, 2003. Any MCF accomplished under this LOA is hereby deemed equivalent to Supplement "H" CRAF flying with the following non-precedent exceptions:

1. A CRAF declaration is not required for flying done under this LOA;
2. Paragraph A.6. of Supplement "H" (tail number specification) is not applicable to flying done under this LOA;
3. For the purposes of this LOA, Paragraph B.4.f. of Supplement "H" is amended to read:

"The Company may post "Military Charter Lines" (deemed equivalent to "CRAF Lines" in Supplement "H") without limit in any four-part bid status of their choosing for each month in which a sufficient level of MCF missions is anticipated. Alternatively, if the known level of MCF missions is too low to publish "pure" Military Charter Lines, the Company may post and award known MCF sequences within the normal bidding process (honoring limits in the Basic Agreement), provided the sequence is clearly identified as containing MCF. Pilots who bid sequences containing any MCF missions operating into an Area of Interest ("AOI") will be deemed "volunteers" per Supplement "H", Section B.2. Should DOD qualification requirements outlined in 5. below be met by all pilots in a given four-part bid status to which MCF sequences have been allocated on the monthly bid sheet, such sequences may be placed into open time by pilots via the TTS and / or SEP systems."

4. MCF sequences will be proffered according to the procedures in Attachment 1 of this letter. The parties intend to allow regularly scheduled pilots who have to drop future flying to access MCF following the same manning constraints as the current SEP and TTS systems. These procedures may be amended by mutual agreement.
5. Pilots will only be eligible to be awarded / assigned MCF missions subject to DOD and / or Company qualification requirements. Current minimum DOD requirements are a minimum of 250 hours combined flight time in aircraft type per crew, 100 hours minimum aircraft time per pilot, and CAT III landing qualified. The Association shall be informed in a timely manner if any Company and / or DOD MCF qualification requirements are changed.
6. The Company and the Association share a commitment to quality crew rest on augmented MCF flights. In the event there is a change to the cabin configuration (from that existing on date of signing) of AA aircraft used for military charter flights that affects in-flight crew rest

facilities, we agree to meet and confer to determine if any changes to MCF crew rest provisions are necessary.

All other provisions of the Basic Agreement and the CRAF Supplemental Agreement (Supplement "H") shall remain in force unless excepted herein.

Sincerely,

_____/signed/

Rose M. Doria
Managing Director, Employee Relations

Agreed and Accepted:

_____/signed/

Ralph J. Hunter, President
Allied Pilots Association

Attachment 1- Proffer Procedures for Military Charter Flying (MCF)

1. As soon as practicable (preferably 36 hours prior to departure), MCF to an Area of Interest (AOI) will be assembled into sequences and placed into open time. The sequences will be "failing continuity", but will show the correct deadheads, pay, credit, departure and arrival times.
2. Regularly Scheduled pilots who desire to fly a given MCF mission - but who must drop future flying to do so - are required to submit a HISEND (or other mutually agreed-to electronic text) message to Crew Scheduled detailing their preferences (sequence number, seat desired, etc.). The HISEND / electronic message must be sent prior to the start of DOTC (1200 HBT) the day before sequence origination.
3. At 1200 HBT the day prior to MCF sequence origination, the Crew Schedule Senior on Duty (SOD) will begin the process of crewing the MCF mission(s). In order to be awarded MCF, pilots must satisfy all of the following qualification / experience requirements:
 - a. Each CA and F/O paired together must have 250 hours combined experience on the aircraft. No crewmember can be "restricted" on the aircraft (i.e. less than 100 hours for MCF purposes), and must be CAT III qualified.
 - b. Any awarded MCF cannot conflict with a DFP that has already begun.
 - c. If the MCF will over-project the pilot or conflict with other scheduled flying, any award of MCF will be handled according to then-current TTS transaction rules.
4. The MCF proffer will be in seniority order among all qualified, legal, and available regularly scheduled pilots in the bid status to which the MCF is assigned.
5. The SOD will make one (1) attempt to contact a regularly scheduled pilot who is qualified, legal, and available for an MCF sequence. Such pilot has one hour to return the call or he/she risks losing any claim to the MCF sequence. If the pilot is enroute (e.g. in the air) at the time of proffer, following accepted makeup flying proffer procedures he/she has until the end of trip debrief (plus some reasonable amount of time should delays be encountered clearing Customs and Immigration) to confirm any previously preferenced MCF award. If the pilot is on mid-sequence or domicile rest during the proffer, he/she has until the earlier of:
 - a. The end of the rest period, or
 - b. Four (4) hours prior to departure to confirm the MCF award.
6. Following the MCF proffer to regularly scheduled pilots, any remaining open MCF will be covered through the normal open time proffer process.

Note: This LOA will not be in effect upon implementation of the 2012 CBA reserve system.



February 28, 2006

Captain Ralph J. Hunter, President
Allied Pilots Association
14600 Trinity Blvd. Suite 500
Ft. Worth, TX 76155-2512

RE: Greater Time to Date (GTD) Credit for Training Programs of 5 Days or Less

Dear Ralph:

This will confirm our agreement to include time spent attending training programs of five days or less (at the credited daily absence rate) in the computation of a pilot's Greater Time to Date (GTD).

The parties agree that Section 2, paragraph U shall now read:

U. Greater Time to Date (GTD)

A running accumulation of a pilot's credited hours to date, including time credited for a crew schedule error affecting a reserve pilot (as provided in Section 18.D.2.) and time credited (for GTD purposes only) at the appropriate daily absence rate for each day spent in a training program of 5 days or less, but not including credit for future flying, relief from future flying, or reserve proficiency displacement flying (as provided in 18.G.2.). Greater Time to Date (GTD) includes all time credited to date as well as time credited (for GTD purposes only) at the appropriate daily absence rate for each day spent in a training program of 5 days or less. Greater Time to Date (GTD) is used to determine reserve variances and assignments as provided in Section 18.

Sincerely,

/signed/

Dennis A. Newgren
Director, Employee Relations, Flight

Agreed and Accepted:

/signed/

Ralph J. Hunter, President
Allied Pilots Association



October 22, 2010

Captain David Bates, President
Allied Pilots Association
14600 Trinity Boulevard, Suite 500
Fort Worth, Texas 76155

RE: Credit Plan Account (CPA) and Internal Revenue Code (IRC) 409A

Dear Captain Bates:

As a result of changes to Federal tax law through the enactment of Section 409A of the Internal Revenue Code (IRC), the Credit Plan Account (CPA) as defined in the Agreement between American Airlines, Inc., and The Airline Pilots in the service of American Airlines, Inc., as represented by the Allied Pilots Association, dated May 1, 2003, as may be amended from time to time, (the "Basic Agreement"), may constitute "deferred compensation". Accordingly, the terms of the CPA may not comply with Section 409A requirements for such deferred compensation plans.

To comply with IRC Section 409A and to minimize potential personal tax liability to which pilots could be exposed, the Company and the Allied Pilots Association hereby agree that all positive CPA balances as of January 30, 2011 for both active and inactive pilots shall be paid in the February 2011 pay period.

This LOA shall remain in effect through the earlier of December 31, 2011 or the Date of Signing of an amended Collective Bargaining Agreement. In the event of any subsequent change under Section 409A, the Company and the Association shall meet and discuss CPA options within a reasonable period of time. Furthermore, the parties shall address an ongoing resolution to this issue during Section 6 negotiations.

Except as explicitly stated in this Letter of Agreement, any and all provisions of the Basic Agreement will remain in full force and effect.

Very truly yours,

/signed/

Dennis A. Newgren
Managing Director, Employee Relations

Agreed to this date:

/signed/

David Bates
President
Allied Pilots Association



January 1, 2013

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Subject: Settlement Consideration and Bankruptcy Protections

Dear President Wilson:

The Tentative Agreement dated November 16, 2012 reached between American Airlines, Inc. ("Company") and the Allied Pilots Association ("APA") in connection with the Company's Chapter 11 Restructuring was agreed to in furtherance of the Company's effort to restructure its capital structure and operations, and in consideration of the terms of the Tentative Agreement and this Letter of Agreement. This Letter of Agreement will be binding on any Chapter 11 trustee that may be appointed in the Company's present bankruptcy cases, In re AMR Corporation, et al., Chapter 11 Case No. 11-15463(SHL) (hereinafter "Bankruptcy Cases"), or other entity operating with the equivalent authority of a Chapter 11 trustee.

The Company and APA agree as follows:

1. Settlement Consideration. In full and complete satisfaction of any and all claims APA has or might arguably have, on behalf of itself or the pilots represented by APA, pursuant to the Railway Labor Act ("RLA") or under or with respect to the abrogated collective bargaining agreement between the Company and APA or the existing pilot terms and conditions of employment ("Green Book"), against the Debtors (or any of them) in the Bankruptcy Cases, and subject to the approval of the Bankruptcy Court, APA will receive under a plan or plans of reorganization of the Debtors equity in the reorganized entity (the "APA Settlement Consideration") equal to 13.5% of such equity issued to the holders of allowed prepetition unsecured claims (including APA) against the Debtors (including any equity issued with respect to other unions) (collectively the "Unsecured Claims"). The APA Settlement Consideration fully, finally, and completely extinguishes any and all claims, interests, causes or demands (including any and all pending grievances, excluding those grievances identified in Exhibit 1) that APA has or might arguably have, on behalf of itself or the pilots represented by APA, pursuant to the RLA and the terms of the abrogated CBA and/or the Green Book, against the Debtors arising prior to the Effective Date of this Letter of Agreement as defined below. The APA Settlement Consideration will not be diluted by any subsequent events other than: (1) equity consideration given to holders of interests in another entity in the event of a merger or consolidation as provided below; (2) an equity offering approved by the Bankruptcy Court in conjunction with confirmation of a plan of reorganization; (3) equity consideration granted to management in connection with incentive plans approved by the Bankruptcy Court; and (4) any post-emergence equity issuance.

Notwithstanding anything in the preceding paragraph to the contrary, the APA Settlement Consideration will not encompass or extinguish the following claims related to these specific grievances or lawsuits: American Airlines, Inc. v. Allied Pilots Ass'n, No. 4:12-cv-00083-Y (N.D. Tex.); and Canada v. American Airlines, Inc., et al., No. 3:09:0127 (M.D. Tenn.), Case No. 10-6131 (6th Cir.); Furland v. American Airlines, Inc., ARB Case Nos. 09-102, 10-130, ALJ Case No. 2008-AIR-011; American Airlines, Inc. v. Administrative Review Board, Department of Labor, Case No. 11-14419-C (11th Cir.); and pending discipline grievances.

Subject to the foregoing, in the event of a reorganization plan for the Debtors that provides for the consolidation of the Debtors with a third party, the APA Settlement Consideration shall be equal to 13.5% of the total consideration distributed with respect to the Unsecured Claims, and shall be issued contemporaneously with the consideration distributed under the plan with respect to the other Unsecured Claims.

The APA Settlement Consideration will confer upon APA all statutory rights to vote on any plan or plans of reorganization presented by the Company or any other entity. In the event that the APA Settlement Consideration has not yet been actually issued, it will be estimated for voting purposes as if APA held allowed unsecured claims in an amount that would entitle it to the APA Settlement Consideration. Neither the APA Settlement Consideration nor any rights under this Letter of Agreement may be assigned or transferred (including the granting of any participation) prior to the effective date of a Bankruptcy Court confirmed Plan of Reorganization, except with the express written consent of the Company exercised in its sole discretion.

2. Effective date. This Letter of Agreement shall not become effective until the last-occurring of these events (the "Effective Date"):

- (1) The Tentative Agreement is ratified by the pilot membership pursuant to procedures determined by the APA Board of Directors;
- (2) The Tentative Agreement and this Letter of Agreement are approved by a final order of the United States Bankruptcy Court for the Southern District of New York which order has not been stayed.

It is expressly understood and agreed that if the Effective Date does not occur, all of the terms contained in this Letter of Agreement are inapplicable and will be of no force or effect. Upon the occurrence of the Effective Date, but prior to the approval of any Plan of Reorganization in these cases, this Letter of Agreement shall constitute a binding and enforceable post-petition agreement between APA and the Company.

3. Administrative claim for fees and expenses. APA shall have an allowed administrative expense claim as of the Effective Date in an amount sufficient to reimburse APA for all reasonable fees and expenses (including attorneys and experts) incurred by APA in the Bankruptcy Cases in connection with the negotiation and/or litigation related to the Tentative Agreement, this Letter of Agreement, and Plan of Reorganization (including APA's opposition to the Company's Motion pursuant to 11 U.S.C. 1113) not to exceed \$5 million. In addition, on the Effective Date, APA shall have an allowed administrative expense claim in the amount of up to \$5 million for the reasonable fees and expenses of APA's investment banker (Lazard) incurred by APA in the Bankruptcy Cases in connection with the negotiation and/or litigation related to the Tentative Agreement, this Letter of Agreement, and Plan of Reorganization (including APA's opposition to the Company's Motion pursuant to 11 U.S.C. 1113). The fees and expenses payable hereunder shall not include fees or expenses incurred in connection with the pursuit of any third party purchaser of the Debtors or a merger partner (including but not limited to US Airways).

4. Withholding. The APA Settlement Consideration will be subject to applicable governmental withholding and reporting requirements. Any amounts so withheld will be treated for all purposes as having been paid to and received by the applicable recipient. In the case of a non-cash payment, the withholding agent may withhold an appropriate portion of the property and sell the withheld property on the recipient's behalf to generate the cash necessary to satisfy and pay the withholding. To the extent any non-cash payment is withheld, the withholding agent will hold such property in an escrow account until the property is timely sold, at the direction of APA. The escrow account will permit APA to vote any equity amount. In the event, or to the extent, that the APA Settlement Consideration has been allocated as of the effective date of a Bankruptcy Court confirmed Plan of Reorganization to the pilots represented by APA (such that it is capable of being distributed to the pilots within a reasonable time), the Company will be the withholding agent (with the cooperation of APA). To the extent that it has not been so allocated, APA will be the withholding agent (and the Company will assist in the processing of any applicable payroll returns, deposits and the like).

Any withholding obligations will not impact or reduce APA's statutory rights to vote on any plan or plans of reorganization presented by the Company or any other entity as described above in Paragraph 1.

5. Indemnification. The Company will indemnify and hold harmless APA and its current or former (a) members, (b) officers, (c) directors, (d) committee members, (e) employees, (f) advisors, (g) attorneys, (h) accountants, (i) investment bankers, (j) consultants, (k) agents, (l) actuaries, (m) financial advisors, (n) professionals, (o) agents and (p) other representatives (each an "Indemnitee") from fifty percent of any liability, loss, damages, fines, penalties, taxes, expenses and costs (not including any income or excise taxes or similar amounts imposed by any governmental agency) relating to, concerning or resulting from any and all third party claims, lawsuits or administrative charges of any sort whatsoever, including fifty percent of the reasonable attorney's fees and costs, arising in connection with matters relating to, concerning or connected to the negotiation or establishment of (x) the Tentative Agreement and this Letter of Agreement, (y) any amendment of any benefit plan or program concerning pilots or other participants in such plan made pursuant to or as a result of the Tentative Agreement and this Letter of Agreement, and (z) any other document or agreement forming part of the Tentative Agreement and this Letter of Agreement. This fifty-percent sharing arrangement will exist until APA's financial exposure reaches \$5 million. Any exposure exceeding \$5 million will be the responsibility of the Company.

Such indemnification and hold harmless obligation will not apply to: (1) any claim, lawsuit or administrative charge resulting from the willful or intentional conduct of any Indemnitee; (2) any claim, lawsuit or administrative charge asserting that APA violated its By-Laws or other organizational requirements by entering into the Tentative Agreement and this Letter of Agreement; (3) any claim, lawsuit or administrative charge resulting from any statement made by any Indemnitee that incorrectly describes the Tentative Agreement or Letter of Agreement or the modifications made thereby; (4) any claim, lawsuit or administrative charge related to allocation among American pilots represented by APA of any claim or any proceeds or distribution received in connection with the APA Settlement Consideration; or (5) any claim, lawsuit or administrative charge related to any disposition by APA or pilots represented by APA to third parties of the APA Settlement Consideration or any proceeds or distribution received in connection therewith.

An Indemnitee seeking to be indemnified and held harmless pursuant to this paragraph must provide to the Company written notice within seven business days of the Indemnitee learning of the claim, lawsuit or administrative charge as to which the Indemnitee seeks to be indemnified and held harmless. The Company will have the right to conduct the defense of such matter with counsel of the Company's choosing and enter into a settlement of such matter. The Company will give reasonable consideration to the wishes of the Indemnitee in connection with the matters described in the foregoing sentence.

6. Exculpation. The Company agrees that it will not propose or support any Plan of Reorganization that does not contain an exculpation or release provision for APA and each of its current or former members, officers, directors, committee members, employees, advisors, attorneys, accountants, actuaries, investment bankers, consultants, agents and other representatives at least as favorable as any exculpation or release provisions provided for the Company's officers, directors, employees, advisors, attorneys, accountants, actuaries, investment bankers, consultants, agents and other representatives.

7. Bankruptcy protection. From the date of this Letter of Agreement until a date three years from the date of this Letter of Agreement, the Debtors will not file or support any motion ("Motion") pursuant to 11 U.S.C. Sections 1113, 1113(e), or any other relevant provision of the Bankruptcy Code, seeking rejection or modification of, or relief or interim relief from, the Tentative Agreement or this Letter of Agreement and the finalized documents implementing the Tentative Agreement or this Letter of Agreement. The Debtors will actively oppose any such Motion if filed by another party.

Notwithstanding the foregoing, the Debtors reserve the right to file or support any Motion if there is a material deterioration in the Company's financial condition or financial prospects, whether because of general economic conditions or otherwise. All requirements and provisions of Section 1113 will also remain applicable to any such Motion. APA reserves its right to object to such Motion and nothing in this Letter of Agreement shall be construed as an agreement by APA to such modifications or relief.

8. Court approval. With the full and active support of APA, the Company will file and prosecute a motion for approval and assumption of the Tentative Agreement and this Letter of Agreement under Sections 363 and 1113 of the Bankruptcy Code and any other applicable sections thereto if the condition set forth in Paragraph 2(1) is satisfied. Both the motion and the proposed order attached thereto (the "363 Order") shall be in form and substance reasonably

acceptable to APA. Both the Company and APA will use their reasonable best efforts to obtain the support of the Official Committee of Unsecured Creditors and other parties and stakeholders for the Tentative Agreement, including this Letter of Agreement, and to seek entry of the 363 Order. Immediately upon entering into the Tentative Agreement, APA will file a motion to stay each of its appeals arising from the Bankruptcy Court proceedings, including its appeal of the dismissal of its Adversary Proceeding regarding the application of Section 1113 to amendable collective bargaining agreements, (appeal No. 1:12-cv-04376 (LAK)) (the "Adversary Proceeding Appeal"), its appeal of the Bankruptcy Court's August 15 Section 1113 decision (appeal No. 1:12-cv-07468 (CM)(GWG)) (the "Initial Section 1113 appeal"), the appeal from the Bankruptcy Court's September 5, 2012 Order granting the Company's Renewed Section 1113 motion (appeal No. 1:12-cv-07647 (CM)) (the "Renewed Section 1113 Appeal"), and its appeal from the Bankruptcy Court's decision granting in part the Motion in Limine filed by American in connection with its Renewed Section 1113 Motion (appeal No. 1:12-cv-07648 (CM)) (the "Motion in Limine appeal"). Upon the occurrence of the Effective Date, APA agrees to take all steps necessary to withdraw and dismiss immediately each and every appeal filed by APA related to the Bankruptcy Cases.

9. Damages. Other than the APA Settlement Consideration and the claims reserved in Section 1 above, APA shall not have any claims as a result of the Company's requests for relief under Section 1113 of the Bankruptcy Code or the parties' entry into the Tentative Agreement or this Letter of Agreement.

Very truly yours,

/signed/

Laura A. Einspanier
Vice President, Employee Relations

Agreed:

/signed/

Keith Wilson
President
Allied Pilots Association

Exhibit 1
Grievances excluded from the settlement

Grievance No	Date Filed	Grievant
06-003	01/05/06	Hunter Presidential
07-009	02/12/07	Hunter Presidential
07-028	06/14/07	Haug, William
07-048	08/08/07	Mock, James
07-066	11/05/07	Murphy, Robert
07-082	12/10/07	Emery, Kathy
08-005	02/20/08	Hill Presidential
08-021	04/07/08	Hass, Mark
08-066	07/21/08	Tierney, Michael
08-102	10/08/08	Smith, Sidney
09-002	01/21/09	Reinford, Philip
09-006	03/04/09	Decker, Richard
09-016	03/27/09	Weiland, Ronald
09-036	07/17/09	Balcom, Robert
10-026	04/27/10	Clark, John J
10-077	10/13/10	Minkin, Ronald
10-087	12/21/10	Smith, Carl
11-019	04/12/11	Bowling, Phillip
11-031	05/11/11	Torres, Felix
11-033	05/23/11	Conlon, Steven
11-054	08/18/11	LGA Domicile
11-065	10/24/11	Gordon, Michael
11-066	11/02/11	Bates Presidential
11-067	11/18/11	Sheehan III, James
11-084	11/29/11	AICA
12-009	01/27/12	Thompson Jr, Glen

Exhibit 1
Grievances excluded from the settlement

12-011	02/04/12	Meadows, Lawrence
12-012	05/22/12	DFW Domicile
12-010	02/01/12	Maher, Sylvan
12-016	03/09/12	Thompson, Lawrence
12-023	04/09/12	Salameh, Elias
12-030	05/16/12	Pollenz, Alan
12-034	06/12/12	Piper, William
*12-111	10/26/12	Gary, William
*12-113	10/26/12	Jackson, Carl
*12-114	10/26/12	Bacon, Stephen
10-042 - EXPEDIT	06/24/11	Hill Presidential

*PEH Grievances: the Company reserves the right to challenge as non-disciplinary and not subject to grievance process.



January 1, 2013

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Subject: Letter Agreement Re: STL and Other Base Closings

Dear President Wilson:

Pursuant to the order of the United States Bankruptcy Court for the Southern District of New York, dated September 5, 2012, the Company has terminated Supplement CC, but continues to apply certain terms of Supplement CC as non-contractual employment conditions for former TWA Pilots. This letter confirms our agreement concerning the termination of Supplement CC, the planned closure of the STL base, interest arbitration related to that action, and the schedule of any other base closures.

Supplement CC established seniority placement on the Pilots' System Seniority List for TWA pilots, as defined under Section I.D of Supplement CC, and certain preferential flying rights to specific aircraft based at STL associated with those seniority placements. The Company and APA agree that the TWA Pilots' existing seniority placements on the Pilots' System Seniority List are final and shall continue pursuant to Section 13 of the CBA notwithstanding the termination of Supplement CC and any preferential flying rights associated with those seniority placements. The Company and APA agree that a dispute resolution procedure is necessary to determine what alternative contractual rights should be provided to TWA Pilots as a result of the loss of flying opportunities due to termination of Supplement CC and the closing of the STL base.

The Company will have the right, in its sole discretion, to decide whether to close the existing STL pilot base, and such closure and consequences thereof shall not constitute a breach of the CBA. In preparation for closure of the STL pilot base, the Company and APA will engage in final and binding interest arbitration pursuant to Section 7 of the RLA to establish certain terms of the CBA as a substitute for the loss of Supplement CC preferential flying opportunities in order to resolve all issues related to the impact on TWA Pilots of termination of Supplement CC. The interest arbitration will commence within 30 days of the effective date of this agreement and the hearing shall be completed and a final award issued within 90 days of commencement. Within 30 days of issuance of the final award, the Company and APA shall submit to the Board contract language implementing the award and the Board shall within 15 days thereafter issue final approval of such contract language. The Company shall defer closure of the STL base until issuance of a final award and the Company shall have the contractual and legal right to close the STL base upon issuance of and compliance with the award, from which there shall be no reconsideration motions considered and notwithstanding any legal challenges to the award.

The interest arbitration panel shall consist of three neutral arbitrators who are members of the National Academy of Arbitrators with Richard Bloch as the principal neutral if he is available and willing to serve. The arbitrators shall decide what non-economic conditions should be provided to TWA Pilots as a result of the loss of flying opportunities due to the termination of Supplement CC and the closing of the STL base, provided that training costs associated with the closure of the base shall be considered non-economic. In no event shall the arbitrators have authority to modify the Pilots' System Seniority List, require the establishment or continuation of any flight operation at any location, or impose material costs beyond training costs on the Company, and any preferential flying rights under the award shall not modify or be deemed a modification of the TWA Pilots' seniority placements on the Pilots' System Seniority List. The Company and APA shall agree to the procedures and standards governing this arbitration.

Assuming he serves as the principal neutral, Richard Bloch shall have continuing jurisdiction to resolve disputes over the implementation and interpretation of the decision by the panel.

The Company also agrees that no pilot base other than STL shall be closed prior to October 1, 2013.

Sincerely,

/signed/

Laura Einspanier
Vice President - Employee Relations

Seen and agreed:

/signed/

Keith Wilson
President
Allied Pilots Association

Date



Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

January 1, 2013

Re: Third Party Administration

Dear President Wilson:

This letter confirms an agreement between American Airlines, Inc. ("Company") and the Allied Pilots Association ("Association") regarding the retention of a third party contractor to administer the sick leave program under Section 10 of the Agreement and/or a third party administrator to administer the 2012 Pilot LTD Plan, the 2004 Pilot LTD Plan and the disability retirement provisions of the Fixed Income Plan of the American Airlines, Inc. Pilot Retirement Benefit Program. If the Company decides to retain a third party contractor or administrator to perform such functions, the parties agree that Harvey Watt & Company would be an acceptable selection. If the Company decides to retain a different third party contractor(s) or administrator(s), it will be a contractor(s) or administrator(s) that is mutually acceptable to the Company and the Association. The Association's agreement to the contractor(s) or administrator(s) will not be unreasonably withheld.

This Letter of Agreement is effective January 1, 2013.

Very truly yours,

/signed/

Laura A. Einspanier
Vice President
Employee Relations

Agreed:

/signed/

Keith Wilson
President
Allied Pilots Association



January 1, 2013

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

RE: Three Member System Board of Adjustment Test

Dear President Wilson:

This will confirm the agreement between the Company and the Association to establish, on a trial basis, a Three Member System Board of Adjustment ("Three Member Board") as an alternative grievance resolution process for the resolution of individual pilot grievances, with the exception of discharge grievances. Discharge, Base and Presidential grievances shall continue to be within the jurisdiction of the System Board(s) as currently provided for in Section 23 of the parties' Collective Bargaining Agreement ("Agreement") dated May 01, 2003.

The parties have agreed that the Three Member Board shall consist of a representative chosen by the Association, a representative chosen by the Company, and a neutral Arbitrator chosen from the list of Arbitrators established pursuant to Section 23.C. of the Agreement. The Three Member Board shall meet quarterly, at a minimum, or more often as agreed to by the parties. Additionally, the Association maintains full authority to transfer a case initially scheduled to be heard by the Three Member Board to the Five Member Board provided for in Section 23 of the Agreement, provided the Company is given a minimum of thirty (30) days notice.

The parties have further agreed that the following procedures shall apply to the Three Member Board grievance resolution process:

1. The parties shall exchange all documents they intend to enter in support of their respective positions no less than fourteen (14) days prior to the date set for the hearing.
2. Any proposed stipulations to facts and issues not in dispute shall be exchanged no less than seven (7) days prior to the date set for the hearing.
3. No taped or written transcripts will be taken during the hearing.
4. Presenters/advocates will use oral closing summations rather than written briefs.
5. The entire process shall be structured in such a manner so as to provide for the hearing of a minimum of two (2) cases per day. Each party shall be allotted equal time of approximately two (2) hours to present its case. In the event one party

does not use its full case presentation time allotment, the other party must promptly commence its case presentation.

6. There shall be no limitation on the number of witnesses either party may call, subject to the provisions of Section G.4. of the Agreement.

7. All decisions by the Board shall be made by majority vote, and shall be issued on the day of the hearing.

8. All majority decisions of the Board will be final and binding, and made without precedent, and shall not be cited or referred to in any other proceeding.

Additional Three Member Board procedures and/or protocols shall be discussed and agreed to by the parties prior to implementation.

The parties agree that the Three Member Board will operate for a test period, commencing on the date of signing of a new Agreement between the parties. The test period will be for a minimum of one year, but not less than the time period required to complete four sets of Three Member Board hearings. Nothing prevents the parties from mutually agreeing to amend the Three Member Board procedures during the test period.

At the conclusion of the test period, the parties shall meet to review the effectiveness of, and amend if desired, the Three Member Board. At the conclusion of this effectiveness review, each party will have the option to terminate the Three Member Board process. In the event the process is terminated, any pending cases scheduled to be heard by the Three Member Board will be scheduled for hearing before the Five Member Board. If, at the conclusion of the effectiveness review, neither party exercises its right to terminate the process, the Three Member Board shall become an ongoing part of the Agreement.

Sincerely,

/signed/

Dennis A. Newgren
Director, Employee Relations Flight

Agreed and Accepted:

/signed/

Keith Wilson
President
Allied Pilots Association



Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

January 1, 2013

Re: Reformatting of Contract

Dear President Wilson:

During the negotiations resulting in the January 2013 Collective Bargaining Agreement (CBA), American Airlines, Inc. and the Allied Pilots Association agreed to make certain formatting changes and to combine in the CBA several provisions from the May 2003 Collective Bargaining Agreement and certain Supplemental Agreements and Letters of Agreement thereto in order to make the CBA more comprehensive and easier to use. The parties agree that any inadvertent formatting, cross-referencing or typographical mistakes or other unintended errors or omissions that are contrary to the understanding and intent of the parties upon identification will be promptly corrected by the parties and will in no way alter the bargaining history between the parties leading to the creation of the CBA.

Sincerely,

/signed/

Laura A. Einspanier
Vice President
Employee Relations

Acknowledged and agreed:

/signed/

Keith Wilson
President
Allied Pilots Association



January 1, 2013

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Subject: Implementation of the New Collective Bargaining Agreement

Dear President Wilson:

American Airlines, Inc. (American) and the Allied Pilots Association (APA) agree that the January 2013 Collective Bargaining Agreement (CBA) results in numerous significant changes which either require complex programming modifications to American's current systems, particularly in the areas of scheduling, work rules and compensation, or are entirely new concepts requiring development from the ground up.

This Letter of Agreement defines the process, prioritization and timeline necessary to ensure the provisions of the CBA are implemented in a timely manner, recognizing the programming complexities involved, and provides interim solutions for some of the more difficult implementation items. American and APA desire the earliest practical implementation of the CBA, and agree to work in good faith to achieve that result.

A Joint Implementation Team (JIT) will be created to establish an implementation schedule and oversee implementation. The JIT will have authority to amend all timelines by mutual agreement of the representatives of American and APA. The JIT will create and distribute information to the pilots and applicable American personnel responsible for administering the CBA. Such information will be considered educational only, and will not be binding on either party as to the interpretation of any provision of the CBA. Information provided may be updated as deemed necessary by the JIT.

The parties agree that predicting implementation dates for the more complex contractual provisions is imprecise, and recognize that technological and operational requirements can affect any projected target dates. The JIT will meet as often as necessary during implementation, and both parties will involve additional resources to the extent necessary to ensure the CBA is timely implemented.

The JIT will be granted access to all data and information necessary to provide the required oversight during implementation; provided that granting such access does not interfere with American's ongoing operations. Confidentiality agreements will be executed if/when access to confidential information is required.

Sincerely,

/signed/

Laura Einspanier
Vice President - Employee Relations

Acknowledged and agreed:

/signed/

Keith Wilson
President
Allied Pilots Association

Date



February 5, 2013

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

RE: APA's Lump Sum Dispute Resolution Procedure ("Procedure")

Dear President Wilson:

APA has informed the Company that it has devised an internal policy that it will use in determining how it will allocate among the pilots the funds it obtained as an unsecured claim as part of the collective bargaining agreement reached during the course of the proceedings in, In re AMR Corporation, Case No. 11-15463-SHL. The parties hereby agree that any dispute about the distribution of the unsecured claim, including disputes over the APA's methodology for allocating such funds, the factors used to determine the allocation of funds, or regarding the amount allocated to any pilot, shall be subject exclusively to the APA's Lump Sum Dispute Resolution Procedure ("Procedure"). APA has informed the Company that the Procedure provides a process, open to all pilots within the APA-represented craft or class, whereby an individual pilot or a group of pilots may invoke and obtain a final and binding resolution by a qualified neutral Arbitrator. No such dispute shall constitute a grievance or be subject to arbitration or other forms of resolution under the terms of this new collective bargaining agreement.

Sincerely yours,

/signed/

Laura A. Einspanier
Vice President - Employee Relations

Agreed:

/signed/

Keith Wilson
President
Allied Pilots Association



August 2, 2013

Captain Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

RE: Implementation and Administration of the SFO Home Base

Dear Captain Wilson:

In accordance with Section 18 of the Collective Bargaining Agreement (CBA), this will confirm the parties' agreement to open a Home Base in SFO with an effective date of October 1, 2013. Additionally, per Sections 17.E. and 18.C.3, pilots with reinstatement rights to the applicable four-part SFO bid status will be awarded SFO Home Base vacancies prior to those with a preference bid (3P) to the SFO Home Base. Those pilots who decline an SFO Home Base reinstatement shall have that reinstatement right deleted from their standing bid list.

The Company and the Association shall jointly monitor the performance of the SFO Home Base operation to ensure a reliable and dependable operation is maintained. In accordance with Section 18.C.7., the SFO Home Base may be closed with six months' notice.

In addition to temporary vacancies described in Section 18.D.3., the Company and the Association shall explore the feasibility of offering secondary lines each month. Secondary lines, if awarded, would be on a voluntary basis. The Temporary Assignment/Temporary Duty provisions in Section 15.M.2.h. shall not apply.

The current trip trade system shall be available for SFO Home Base pilots. Open sequences will be awarded in accordance with the current Daily Open Time Coverage (DOTC) process and procedures.

The Company and the Association shall continue to explore practical solutions that would allow pilots the opportunity to pick up sequences inside / outside of SFO at the earliest opportunity.

Administrative support will be provided by the LAX Flight Office. The Company will notify the Association in the event administrative support is moved to a different location. Administrative support shall include the distribution of any operationally required paper revisions and a spare I-Pad(s)/charger(s). SFO parking will be provided through the LAX Flight Office in accordance with Letter M of the CBA.

Sincerely,

/signed/

Dennis A. Newgren
Managing Director
Employee Relations, Flight

Agreed and Accepted:

/signed/

Captain Keith Wilson
President
Allied Pilots Association



January 30, 2015

Captain Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

RE: Training, Flight Test and Combining of Divisions Discussions

Dear Captain Wilson:

The Company and APA agree to address the following Training, Flight Test Pilot and Combining of Division subjects:

1. Section 6 –Training.

Update and clarify training provisions for the various LAA/LUS training programs. Discussions will commence no later than June 1, 2015, and will continue for a period of at least sixty (60) days. Either party may unilaterally terminate these discussions after sixty (60) days, in which case the training provisions of the JCBA shall remain in effect unless the parties have agreed otherwise in writing.

2. Section 12.C – Flight Test.

Update and merge Flight Test Pilot provisions of LAA/LUS. Discussions will commence no later than May 1, 2015. If the parties have not reached an agreement within seventy-five (75) days of the start of such discussions, the parties will submit the issue(s) to final and binding interest arbitration pursuant to the Railway Labor Act. The arbitration will commence no later than October 1, 2015, and a decision will be issued within sixty (60) days of completion. The arbitrator's jurisdiction and award will be limited to fashioning provisions consistent with the terms of the JCBA. The arbitrator's award specifically shall adhere to the economic terms of the JCBA.

3. Section 15 – Combined Divisions.

The parties agree to the following stipulations with respect to combining divisions:

- a. No later than March 1, 2015 the parties will meet to discuss the following issues relating to the combination of a Domestic bid status with an International bid status with the understanding that the failure to reach agreement in these discussions will not affect the Company's right to combine divisions:

- (1) Advance notification to pilots of impending combination of Divisions;
- (2) Training scheduling and requirements;
- (3) Maintaining International qualifications;
- (4) Since flights to CKA-required special qualification airports (as identified in Flight Manual Part 1) cannot, except for training purposes, be performed by pilots without the appropriate special qualification, the parties will discuss the appropriate methodology for determining, awarding, and assigning the proper number of pilots to be qualified for CKA-required special qualification airports. The parties will give consideration, at a minimum, to the following:
 - (a) Manning buffers;
 - (b) Line construction quality;

(c) Reserve pilot qualification levels.

The Company shall not be required to qualify more pilots for any CKA-required special qualification airport than the number required by application of the methodology above. Except for training purposes, only those pilots current and qualified for special qualification airports may be awarded such flying. All flying to special qualification airports shall be awarded or assigned to those pilots trained for such flying.

- (5) Prior to combining any Domestic and International bid status the Company shall meet with the Association in order to receive and consider input from the APA Safety Committee.
- (6) The impact of combining divisions on Supplement U.
- (7) Any pilot with a reinstatement right to a division that is combined with another division shall have a reinstatement right to the combined division.

Sincerely,

/signed/

Beth Holdren
Managing Director
Labor Relations, Flight

Agreed and Accepted:

/signed/

Captain Keith Wilson
President
Allied Pilots Association



January 30, 2015

Captain Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

RE: Benefits Excise Tax

Dear Captain Wilson:

In the event the Company determines the Standard or Core design options provided for in this Agreement (each an "Option") would be or become subject to an excise tax or other penalty included in The Patient Protection and Affordable Care Act (PPACA) or any excise tax or penalty which may replace the PPACA, under applicable law, (and thus become an "Affected Option"), the Company will meet and confer in good faith in order to reach an agreement with the Association concerning the minimum modification or modifications to the Affected Option necessary to avoid application of the excise tax or other penalty. The Company shall provide to the Association information the Association reasonably requests, including actuarial reports, necessary for the Association's design and consideration of such modifications. Unless otherwise agreed, any agreed modification shall become effective at the time the excise tax or penalty would become applicable in respect of the Affected Option (the "Affected Option Date").

If the Company and the Association are unable to agree on modifications necessary to avoid the application of the excise tax or other penalty on the Affected Option within ninety (90) days after the initial meeting, the parties will select Arbitrator Bloch who will determine the modifications to the design of the Affected Option that will become applicable. The authority of Arbitrator Bloch is expressly limited to establishing those modifications to the design of the Affected Option that will ensure no excise tax or other penalty will apply. If Arbitrator Bloch determines no reasonably practical modification to the Affected Option can guarantee no excise tax or other penalty will apply, the Company shall have the right to terminate the availability of the Affected Option to the Pilots. If, under the preceding sentence, the Company has terminated or would have the right to terminate the availability to the Pilots of the Standard and/or Core Option, the arbitrator will be empowered to designate an alternative Option design (a "New Option") that is available from the Company provider and that replicates the provisions of the Core Option to the greatest possible extent without causing the New Option to become subject to any excise tax or other penalty. In the event the arbitrator has not issued a determination prior to the excise tax or penalty becoming due or if such penalty or excise tax is otherwise owed for any reason, notwithstanding any contrary provision of law, the Company shall be permitted to implement such modifications to the design of the Affected Option as it considers to be necessary to avoid the excise tax or penalty. The Company shall have a reasonable period of time following the issuance of the arbitrator's determination to implement the New Option. Notwithstanding the foregoing, the provisions of this Paragraph shall not be effective if, after the effective date of this Agreement, the Company enters into any new or amended collective bargaining agreement having a term of three (3) years or more with any union group that does not contain a provision substantially similar to this Paragraph.

If any Option is modified or eliminated pursuant to this Paragraph, the parties will meet and confer to determine how the savings, if any, from such modifications will accrue to Pilots. The avoidance of any excise tax that would have otherwise been applied will not be considered in the

calculation of any savings. If the parties cannot agree on whether cost savings exist or how to distribute said savings, the matter may be referred to an arbitrator as specified by the process in this Paragraph. The arbitrator's authority shall be limited to the issue of determining whether such savings exist and, if so, how such savings are to be distributed. The arbitrator shall have no other authority, and in no event shall the arbitrator order modifications to or reinstitution of a plan.

Sincerely,

/signed/

Beth Holdren
Managing Director
Labor Relations, Flight

Agreed and Accepted:

/signed/

Captain Keith Wilson
President
Allied Pilots Association



January 30, 2015

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Re: Health Retirement Account Deposits

Dear President Wilson:

This letter confirms an agreement between American Airlines, Inc. ("Company") and the Allied Pilots Association ("Association") regarding the establishment of certain Health Retirement Accounts by the Company. This Letter of Agreement replaces LOA 13-01 and is effective January 30, 2015.

(1) Eligibility. The Company shall contribute a maximum value of \$25,000 (with the actual amount of contribution to be determined in accordance with the terms herein) to a Health Retirement Account ("HRA") a notional account, for each pilot who: (a) retires at age sixty (60) years or older between January 30, 2015 and December 31, 2019; and, (b) gives the Company at least four (4) months' notice of the pilot's intent to retire.

(2) HRA Amount. The amount of contribution to an HRA for any pilot so entitled shall be determined by multiplying \$25,000 by a fraction, the numerator of which is the pilot's total short and long-term sick leave bank hours as of the pilot's retirement date and the denominator of which is the pilot's maximum possible sick bank accrual of 1000 hours (940 hours from the long term sick leave bank and 60 hours from the short term sick leave bank). (E.g., a pilot who retires with short and long-term sick leave banks totaling 500 hours shall receive a HRA funded to \$12,500).

(3) The HRA contribution may be used to pay for premiums and unreimbursed expenses for medical, dental, vision and long term care purchased from the Company or a third party for the retiree and/or spouse of record as of the date of retirement.

(4) Pilots who retire prior to age 60 or after the amendable date of the January 1, 2013 collective bargaining agreement are not eligible to receive HRA contributions.

(5) Information about HRA Deposits (as contained in this letter agreement) will be posted on the AAPilots.com website and included as a seminar topic in any retirement seminars hosted jointly by the Company and the APA.

Very truly yours,

/signed/

Beth Holdren
Managing Director Labor Relations - Flight

Agreed:

/signed/

Captain Keith Wilson
President
Allied Pilots Association