

7.02.08

This is an APFA HotLine update for Wednesday, July 2. This is Frank Bastien, National Communications Coordinator.

Due to the reduction in our fleet and flights previously announced by the company for later this year, American Airlines has delivered to APFA a "WARN" letter advising that the 900 most junior U.S. based Flight Attendants are subject to furlough effective August 31, 2008. Enacted in 1988, the Worker Adjustment and Retraining Notification Act (or WARN) requires a sixty (60) calendar-day advance notice of potential significant employee layoffs.

In previous HotLines, we have mentioned the use of voluntary Overage Leaves of Absence and Partnership Flying to mitigate possible job losses. We are very pleased to announce that yesterday an agreement was reached between American Airlines and APFA, in which the company will offer a one-time "Voluntary Bridge to Retirement" in advance of awarding any leaves and partnerships. Eligibility for the bridge is limited to Flight Attendants not currently on furlough, who are at least 50 years of age and who will have at least 15 years company seniority as of August 31, 2008. The agreement will be posted on the "Reduction in Force" page of the APFA website and complete details will be available on JetNet. Some provisions of the bridge include a severance payment of \$15,000 and specific medical and pass benefits. Please review the company's information for the complete provisions and restrictions.

Along with the bridge, the company will proffer Overage Leaves of Absence in accordance with Article 16 of the agreement and Partnership Flying in accordance with Appendix F. Both of these provisions, along with the one-time Voluntary Bridge to Retirement, are intended to minimize the manning overage and reduce the number of furloughs ultimately required.

Flight Service is still finalizing the Overage Leave and Partnership Flying bid packets, including the duration of the leave blocks and the bidding periods. Please continue to check this HotLine and the "Reduction in Force" page of the APFA website for details as they become available. In the meantime, the APFA website offers a Partnership Finder through the "Reduction in Force" link to aid those Flight Attendants wishing to bid for Partnership Flying in finding a suitable bidding partner.

The one-time Voluntary Bridge to Retirement will be awarded first, followed by leaves at bases with an overage. Where overages then still exist, partnerships will be awarded. After these three voluntary provisions are exhausted, and should any overage still exist, the company will then determine how many of the remaining 900 Flight Attendants are ultimately to be furloughed according to the provisions of Article 16.B.1 of the contract which states: "When there is a reduction in force, the Flight Attendant(s) with the least system seniority shall be laid off."

More information on this Reduction in Force will be added to the APFA website as it becomes available.

Thank you for calling the APFA HotLine.