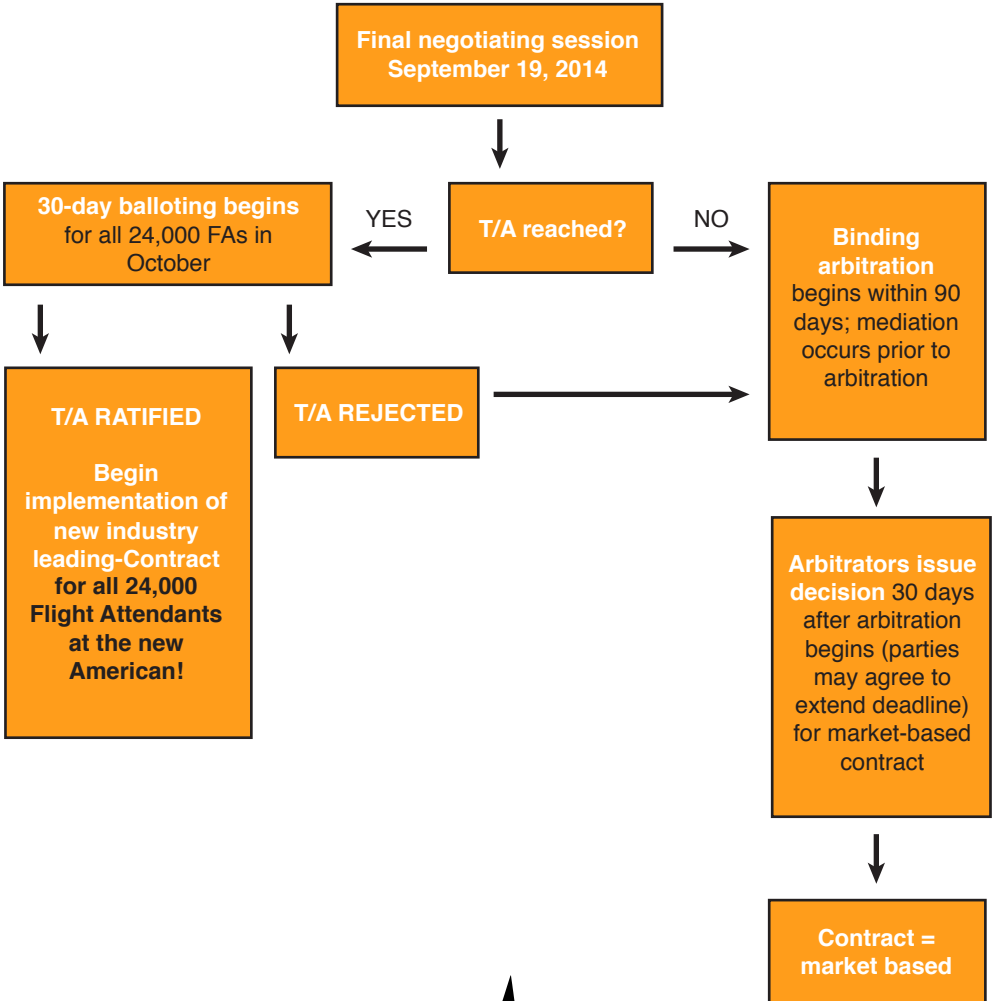


The Paths to a Joint Collective Bargaining Agreement



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Flight Attendants are in unique negotiations that provide a path to an industry-leading contract as the new American emerges as the largest and most profitable airline in the nation. It is important for all of us to understand how these negotiations are structured:

- Our goal in negotiations is to produce a contract that is better than market-based in the aggregate and richer than our current agreements. If we don't meet those objectives we will not sign off on a T/A.
- Why would the company agree to an industry-leading T/A rather than settle for a market-based in the aggregate contract in arbitration? **The answer is YOU.** You will show the company that you are not willing to accept anything but an industry-leading contract because this is the new American - with a new way of doing business.
- Towards the end of negotiations we hope to have resolved virtually all issues other than compensation: for example, Scheduling, Reserve, Hours of Service and International will, in all likelihood, have been T/A'd. In the final days and hours of bargaining we will be fighting to get more in compensation than a market-based Agreement would provide. **We will be fighting to ensure that the total value of our T/A is not just market-based but industry-leading.**
 - **If we reach a T/A**, we will have achieved our goal and will be able to tell you how much better the JCBA is than market-based in the aggregate and our current agreements - the standards that will dictate and put a cap on the outcome in arbitration.
 - **If we don't reach a T/A**, the issues that remain unresolved will be decided in arbitration. The arbitrators must resolve these issues so that the resulting contract has a total value that is market-based in the aggregate. In addition, the arbitrators must produce a contract that is at least as valuable as the current APFA-AA and AFA-US Airways CBAs.
 - **If the T/A is rejected**, items that were unresolved just prior to reaching a T/A will be submitted to the arbitration panel, resulting in a market-based contract. The arbitrators must resolve these issues so that the resulting contract has a total value that is market-based in the aggregate. In addition, the arbitrators must produce a contract that is at least as valuable as the current APFA-AA and AFA-US Airways CBAs.
- When times were as desperately bad as they are miraculously good today, management did not hesitate to claim that our contracts had to be decimated. Today, AA can repurchase \$1b of stock, pay a dividend for the first time in 30 years, and achieve a stock price that was unimaginable just eight months ago. Management should understand that in these circumstances market based just isn't good enough.

Your involvement is critical in convincing the company that it must deliver more than a market-based agreement. Wear your union pin, attend union meetings, and stay informed by reading the APFA Hotline/AFA E-line regularly.

