

## SETTLEMENT AGREEMENT

The following shall constitute the final and binding settlement between the parties in the matter of SS-75-2000-APFA-3: Improper Calculation of Injury On Duty Benefits.

- The parties reserve their respective positions on the bargaining history and intent of the language in Article 26.D.
- For the calculation of IOD benefits for Flight Attendants who have incurred an Injury on Duty in excess of one hundred twenty (120) days (or 60 days if the Flight Attendant didn't use a PPN), the Company agrees to revert to the calculation of benefits used from April, 1994 through January, 2000. This change will go into effect no later than 5/1/01.
- The calculation to be used is as follows: the Flight Attendant's gross monthly guarantee (71 hrs Domestic/75 hrs International) minus monthly TTD payments (the weekly TTD payment times 4.333), divided by the Flight Attendant's blended hourly rate = the number of sick hours that the F/A is eligible to use for that month (not to exceed ½ of guarantee). The number of sick hours may change if the TTD payment changes or if the Flight Attendant's hourly rate changes. In addition, should the parties change the ½ guarantee restriction through collective bargaining negotiations, this Settlement will change accordingly. See the attached calculation worksheet examples.
- The Company agrees to use the calculation referenced above until any changes are made to the language regarding the pay calculation in Art. 26.D. through the collective bargaining process between the parties.
- The parties will work together to determine if there are any Flight Attendants who incurred an Injury on Duty in excess of one hundred twenty (120) days (or 60 days if the Flight Attendant didn't use a PPN), and which occurred after 1/25/00, who had a loss of their applicable monthly guarantee by the use of the benefit calculation currently in effect. If so, the Company agrees to reimburse any such Flight Attendant for that loss of guarantee, along with a corresponding deduction to his/her sick bank. APFA will run an article in the next issue of *Skyword* magazine, and Flight Attendants will have forty-five (45) days from the date of distribution of that issue to identify themselves to APFA.

- If a Flight Attendant is precluded from drawing from his/her sick leave benefit pursuant to Art. 26.D.3. because the state-mandated Workers' Compensation benefits provide 100% of the Flight Attendant's applicable guarantee, such Flight Attendant will continue to accrue classification seniority during the period from when the Flight Attendant exhausts his/her sick leave benefit until s/he is placed on an unpaid sick leave of absence. Should such Flight Attendant later be able to draw upon his/her sick leave benefit while receiving state-mandated Worker's Compensation benefits, this special provision will not be necessary.
- APFA agrees to withdraw all grievances, protests or appeals relating to this issue.

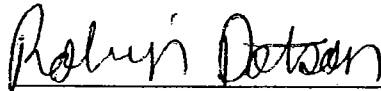
By signature below, all parties agree to the terms of the above settlement.



Jeff Boyd  
Vice President  
Association of Professional  
Flight Attendants

4-16-01

Date



Robin Dotson  
Managing Director  
Employee Relations  
American Airlines

4/11/01

Date

## CALCULATION OF SICK TIME FOLLOWING SALARY CONTINUANCE - FLIGHT ATTENDANTS

(General Employment Policy Section 6-11 Appendix F)

<b>Name:</b>		<b>Date of Injury:</b>	
<b>Employee #:</b>		<b>Last Date of Salary Continuance:</b>	

Number of guaranteed hours\* for the month (71.0/Domestic, 75.0/International)

Hourly base pay

Hourly incentive pay

TTD (weekly) - obtain amount from the claims administrator

Accrued sick hours at the time of IOD

Monthly guarantee pay\*\* (\*\*equals base plus incentive)

Monthly TTD pay

Eligible monthly sick pay

Eligible monthly sick hours (not to exceed 1/2 of guaranteed hours)

Eligible daily sick hours (if accrued sick hours are available)

**Based on the above calculation, employee is not eligible to use sick time.**

Per General Employment Policies, employee may elect to use accrued sick hours, if eligible, in lieu of being placed on an unpaid IOD leave of absence.

Employee **ELECTS\*\*** to use accrued sick hours.

\_\_\_\_\_  
Signature Date

or

Employee **DECLINES** use of accrued sick hours.

\_\_\_\_\_  
Signature Date

or

Employee **IS NOT ELIGIBLE** to use sick hours.

\_\_\_\_\_  
Signature Date

\* Guaranteed hours based on 10/10/1995 APFA contract (71.0/Domestic, 75.0/International)

\*\* If employee is eligible and elects to use accrued sick hours, this form should be printed and faxed to Kathy Flores, Pay Compensation at (ICS/817) 967-8270 by the 23rd of the month.

