

August 5, 2002

Mr. Jeff Bott
Vice President
Association of Professional Flight Attendants
1004 W. Euless Blvd
Euless, TX 76040-5018

RECEIVED

AUG 06 2002

APFA
System Board of Adjustment
By 

Re: Settlement Agreement - Presidential Grievance SS-33-2001-AFPA-03

Dear Jeff,

As a result of our continuing discussions aimed at resolving the above referenced grievance, the parties have reached the following Settlement Agreement:

1. Whenever Article 16 - Reduction in Force, of the Collective Bargaining Agreement is invoked, furlough pay is applicable, in accordance with the provisions of this article.
2. The Article 16 Letter-I dated May 22, 2001 in the Collective Bargaining Agreement regarding Furlough Pay in "Emergency Situations" remains in full force and effect. Both parties retain their respective positions regarding whether furlough pay is required during an "emergency" situation as defined in Article 16j of the Agreement.
3. Any disputes that arise from interpretation of points 1 and 2 above will be resolved using an expedited arbitration process. The parties agree that an arbitrator will be selected and a date chosen within fifteen (15) days of the APFA filing a grievance. The arbitration will be scheduled to take place within ninety (90) days and a decision rendered within seven (7) days of the hearing.
4. The parties recognize that none of the flight attendants furloughed following the events of September 11, 2001 were eligible for furlough pay in accordance with Article 16.B.3. As such, there is no necessity for further remedy.
5. Both parties are committed to our common interest of working together to help the Company recover from the economic difficulties we face and bring back all flight attendants currently on furlough as quickly as possible within the operational constraints that are present. The parties are acutely aware of the need to avoid any resolution that may have the unintended effect of recalling flight attendants, only to then be forced to furlough them again. Additionally, both parties agree to work under the principles outlined in my January 18, 2002 letter to you.

6. Due to the complexities associated with the above mentioned tasks, the parties agree that they will work together to develop a joint communication plan outlining the various steps that will be undertaken to achieve these common goals.

In view of the above, the APFA agrees to withdraw the above referenced grievance.

Sincerely,

Jane Allen

Jane Allen
Vice President
Flight Service

Agreed to and Accepted

JB

Jeff Bott
Vice President, Association
of Professional Flight
Attendants

Date: 8.6.02