

SETTLEMENT AGREEMENT ("Agreement")

entered into by and among

AMERICAN AIRLINES, INC. ("Company")

And

ASSOCIATION OF PROFESSIONAL FLIGHT ATTENDANTS ("APFA")

This Settlement Agreement ("Agreement") is made and entered into by and between Association of Professional Flight Attendants ("APFA" or "Association") and American Airlines ("American" or "Company"). The Association and the Company are jointly referred to as the ("Parties.")

WHEREAS, on or about September 8, 2017, the APFA filed Base Case #2017-APFA-1 (the "Grievance").

WHEREAS, APFA contended that the Company's stated plan regarding Flight Attendant Operational Integration ("FOI") would violate various sections of the Joint Collective Bargaining Agreement ("JCBA");

WHEREAS, the Company disagrees with the claims contained in the Grievance and has denied the same;

WHEREAS, the Parties agreed to a non-binding mediation process through which they met on several days with a neutral mediator and, as a result agreed to a Settlement Agreement, which was signed on December 8, 2017;

WHEREAS, on or December 9, APFA requested the Parties meet to discuss amendments to the December 8, 2017 Settlement Agreement;

WHEREAS, because the Company and APFA mutually desire to achieve operational integration for Flight Attendants as contemplated by the JCBA, they have agreed to additional non-binding mediation with a neutral mediator, and have agreed to avoid further controversy and fully settle any and all claims and disputed issues relating to the subject matter of the Grievance, without admission of any fault or liability;

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements set forth herein, the Parties agree as follows:

1. Effective August 1, 2018, the Company shall implement ETB, TTS, and ROTA/ROTD for all LAA flight attendants. The Company will increase the TTS Monthly Max to 115 hours, effective for all flight attendants at LAA crew bases in August 2018 (concurrent with the implementation of TTS for LAA) and for all flight attendants at LUS crew bases in October 2018 (concurrent with the implementation of TTS for LUS). At such time that all Crew Bases are on PBS, the TTS Monthly Max will be adjusted to the maximums as set forth in the JCBA.
2. LUS Flight Attendants shall be placed into FOS for the October 2018 contractual month, under the JCBA provisions (except as otherwise provided herein). The Parties agree that FOI will occur as of the October 2018 contractual month.
3. The Parties agree that PBS shall be implemented in three (3) phases on the following schedule:


- October 2018 contractual month: Crew Bases in CLT, PHL, PHX and UDC shall bid in the JCBA-compliant PBS (Flight Attendants will bid in PBS in September 2018 for October 2018 flying);
 - February 2019 contractual month: Crew Bases in BOS, DCA, LAX, LGA, ORD, RDU, SLT and SFO shall bid in the JCBA-compliant PBS (Flight Attendants will bid in PBS in January 2019 for February 2019 flying);
 - May 2019 contractual month: Crew Bases in DFW and MIA shall bid in the JCBA-compliant PBS (Flight Attendants will bid in PBS in April 2019 for May 2019 flying) and UDC and DCA will be merged into one Base.
4. The first Vacancy and Mutual transfer awards following FOI will be effective November 2018.
5. For the vacation year of May 2018-April 2019, all Flight Attendants will bid under the vacation rules as set forth in their respective Flight Attendant Agreements. All Flight Attendants will bid under the JCBA vacation rules in January 2019 (for their vacation time in the May 2019 through April 2020 vacation year). Flight Attendants shall be compensated according to their respective Flight Attendant Agreement until PBS is implemented at the base.
6. The Parties agree that the cabin cleaning provisions of the JCBA will be implemented no earlier than the point in time at which all Crew Bases are on PBS.
7. The Parties agree that the timeline herein is based on anticipated technology milestones. Should any material defects be identified, the Parties must meet and confer in good faith regarding solutions. The Parties retain and reserve their full rights to enforce the terms of this Agreement
8. APFA hereby withdraws with prejudice Base Case #2017-APFA-1.
9. This Settlement Agreement is the entire agreement regarding the subject matter of the Grievance, and there are no other agreements or understandings between the Parties related to the Grievance.

Accepted and Agreed to:



Bob Ross
President
APFA

1/9/18
Date



Cindy Simone
MB Labor Relations
American Airlines

1/9/18
Date