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3 4 5 6 7 8 9	EDGAR N. JAMES* STEVEN K. HOFFMAN* DANIEL M. ROSENTHAL* James & Hoffman, P.C. 1130 Connecticut Avenue, N.W., Suite 950 Washington, D.C. 20036 Telephone: (202) 496-0500 Facsimile: (202) 496-0555 ejames@jamhoff.com skhoffman@jamhoff.com dmrosenthal@jamhoff.com JEFFREY B. DEMAIN (SBN 126715) JONATHAN WEISSGLASS (SBN 185008) Altshuler Berzon LLP 177 Post Street, Suite 300 San Francisco, California 94108 Telephone: (415) 421-7151 Facsimile: (415) 362-8064 jdemain@altshulerberzon.com	
12 13 14	Attorneys for Defendant Allied Pilots Association *Admitted pro hac vice	
15 16		S DISTRICT COURT RICT OF CALIFORNIA
17	SAN FRANC	SISCO DIVISION
18 19	AMERICAN AIRLINES FLOW-THRU PILOTS COALITION, <i>et al.</i> ,	Case No. 3:15-cv-03125-RS DECLARATION OF ARTHUR McDANIELS
20 21	Plaintiffs,	IN SUPPORT OF APA'S RESPONSE TO PLAINTIFFS' MOTION FOR CLASS CERTIFICATION
<ul> <li>22</li> <li>23</li> <li>24</li> <li>25</li> <li>26</li> </ul>	ALLIED PILOTS ASSOCIATION, et al.,	Fed. R. Civ. P. 56 Date: April 21, 2016 Time: 1:30 p.m. Courtroom: 3 - 17th Floor Judge: Hon. Richard Seeborg
27 28	Declaration of Arthur McDaniels in Support of APA's F	Response to Pls' Motion for Class Cartification

American Airlines Flow-Thru Pilots Coalition v. Allied Pilots Assn., Case No. 3:15-cv-03125-RS

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I, ARTHUR McDANIELS, hereby declare as follows:

### 2 I. Background

I am a pilot employed by American Airlines, Inc. ("American" or the "Company"). I
 was hired by American in February 1989. I make this declaration in support of the Opposition to
 Plaintiffs' Motion for Class Certification, which I understand will be filed herewith by Defendant
 Allied Pilots Association ("APA") in the above-captioned case.

2. Before I was hired at American, I served in the U.S. Air Force from 1977 to 1988. In
1977, I graduated from Oklahoma State University with a B.S. in Accounting.

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9 3. APA is certified by the National Mediation Board ("NMB"), the federal government
agency regulating labor matters in the airline industry, as the collective bargaining representative of the
pilots employed by American. Throughout my employment with American, I have been a member of
APA. I have served on APA's Membership Committee since 2001 and as Chair of that committee from
May 2003 until May 2010. In addition, I am currently chair of APA's Information Technology
Committee, a capacity in which I have served since 2014.

15 **II. B** 

#### **Background on pilot pay**

4. I previously submitted a declaration in support of APA's Motion for Summary
Judgment or, in the alternative, for Partial Summary Judgment. In that declaration, I explained various
basics of pilot pay and seniority. I am intimately familiar with these matters both through my
experience a pilot at American and through my work on the APA Membership Committee. As a
member and Chair of the Membership Committee, I became very knowledgeable regarding the various
contractual provisions related to seniority, pilot pay, and other areas.

5. I provide as Exhibit 1 to this declaration a true and accurate copy of relevant excerpts
from the current collective bargaining agreement (the "2015 CBA"). The CBA is maintained by APA
as part of its regular practice of maintaining copies of collective bargaining agreements between APA
and American. I frequently utilize and refer to these agreements maintained by APA, am personally
familiar with APA's practice of maintaining such agreements among its business records, and can
testify competently thereto.

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At American, each pilot is placed on a pay scale depending on the pilot's aircraft
 "group" (between Group I, the smallest aircraft, and Group V, the largest aircraft), and the pilot's
 position (Captain or First Officer, the two positions in the cockpit crew). Then, for each group/position
 cohort, there is a 12-step pay scale based on a pilot's length of service. So, a 737 First Officer with 12
 years length of service would be at the top of the pay scale for Group II First Officers, while a 737
 First Officer with 1 year length of service would be at the bottom of that same pay scale. The pay
 scales for each group/position cohort are set forth in Section 3(B) of the 2015 CBA.

8 7. The pay scale referenced in the prior paragraph sets an hourly rate of pay for
9 group/position cohort. In general, pilots' actual earnings are calculated by multiplying that rate of pay
10 by the number of hours a pilot is credited with flying each month.

8. Section 15 of the 2015 CBA includes complicated rules for calculating a pilot's credited
 hours. Although I will not describe those rules in detail in this declaration, it suffices to say that a
 pilot's credited hours depend in large part on which trips are flown by the pilot.

9. Pilots can bid, using their seniority (i.e., their position on the American pilots seniority
list), on a monthly "line" of flying, which is essentially a set of trips that the pilot will fly for the
month. Pilots can then, through various mechanisms, choose to add or drop trips from the "line" they
have bid on.

18 10. Based on a pilot's choices in bidding and picking up or dropping trips, a pilot's credited
19 hours of flying can vary widely. In most months, a pilot who actively flies on a "line" of flying as
20 described above will accrue credited hours of flying range somewhere between 65 and 95 hours.

11. Pilots can also bid to fly as a "reserve" pilot. This means that the pilot does not enter the
month with a predetermined "line," but instead receives trips throughout the month as needed by the
airline. Pilots on reserve are paid for a minimum of 73 or 76 credited hours per month, but may accrue
greater credit depending on the trips they fly. In general, pilots consider reserve flying less desirable
than flying on a predetermined line.

12. In addition to all of the above, pilots generally receive additional pay for flying on
international trips, or trips designated by the company for "premium" pay. *See* 2015 CBA Sec. 3(D)(E), 15(I).

**Declaration of Arthur McDaniels in Support of APA's Response to Pls' Motion for Class Certification** *American Airlines Flow-Thru Pilots Coalition v. Allied Pilots Assn.*, Case No. 3:15-cv-03125-RS

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#### 1 **II.** Pilot bidding choices

13. As noted above, pilot pay is determined by the pilot's aircraft group and position—
which determines the applicable pay scale—as well as the pilot's credited hours of flying and various
other factors. These factors, in turn, are affected by a pilot's choices in "bidding," as explained in more
detail below.

6 14. The first step in "bidding" is for a pilot to choose a "four-part bid-status" to bid into.
7 The four parts that make up the bid status are (1) aircraft, (2) position (captain/first officer), (3) base,
8 and (4) division (international or domestic). For example, a pilot could choose to bid on the following
9 bid status: "737/CA/MIA/DOM." This means that the pilot will fly on the 737 aircraft, as a captain, out
10 of Miami, on domestic flights.

11 15. A pilot with sufficient seniority will have multiple options for which bid status to bid 12 into. There are several considerations that generally enter into a pilot's selection. First, and perhaps 13 most fundamental, a pilot often has to choose whether to bid into a four-part bid status in which the 14 pilot will be relatively senior to the other pilots in that bid status, or a different bid status which is more 15 desirable for some reason (*e.g.*, higher paying), but in which the pilot will be relatively junior.

16 16. For example, imagine a pilot who flies domestic routes as a First Officer on the 737 out 17 of Dallas, and has accrued enough seniority that he is relatively senior among the group of pilots who 18 fly in that bid status. Within the bid status, the pilot's relative seniority allows him to outbid other 19 pilots for lines of flying he considers desirable. For example, the pilot could bid on, and receive, a line 20consisting mostly of one-day trips, with most weekends off, so that he can spend nights and weekends 21 at home with his family. The pilot knows, however, that he can increase his pay rate by becoming a Captain on the 737—known as "upgrading" to Captain. Although the pilot's pay rate will increase, the 22 23 downside of "upgrading" is that the pilot will be relatively junior among the pilots in his bid status, and 24 therefore may not be able to outbid other pilots for a line consisting of one-day trips and weekends off. 25 Indeed, the pilot may be forced to fly on reserve, making his schedule extremely unpredictable.

17. Aside from schedule flexibility, other considerations affect whether and when pilots
 decide to upgrade to a higher-paying or otherwise more desirable bid status. For example, a pilot may
 have the option of upgrading to a bid status in which the pilot has to fly out of a different home base
 Declaration of Arthur McDaniels in Support of APA's Response to Pls' Motion for Class Certification
 *American Airlines Flow-Thru Pilots Coalition v. Allied Pilots Assn.*, Case No. 3:15-cv-03125-RS

(*e.g.*, Los Angeles instead of Miami), and may decide against doing so to avoid relocation or a long
 commute from his or her home.

3

# III. The impossibility of predicting pilot earnings from seniority.

4 18. Given these considerations, pilots make different choices about whether and when to
5 upgrade to higher-paying bid statuses. Some pilots maximize their earnings by upgrading as soon as
6 possible, i.e., as soon as their relative seniority will permit them to do so. Others prefer to remain
7 indefinitely in a lower-paying bid status, in which their relative seniority allows them maximum
8 flexibility in bidding for desirable trips.

9 19. As a consequence, there is not necessarily any strong correlation between a pilot's
10 seniority and the pilot's pay. To extrapolate from seniority to pay, one would have to know which
11 choices the pilot will make about when to upgrade, how many hours to fly, which equipment and
12 position to fly, and which home base to select, among other factors.

20. To illustrate this phenomenon, I have located four pilots with consecutive seniority
numbers on the American pilots seniority list, all of whom have flown actively for American over the
past five years. I have further estimated these pilots' earnings, using APA's records of dues paid by the
pilot, which are a percentage of pilots' earnings.<sup>1</sup> APA has a regular practice of maintaining the pilot
seniority list and the dues data. I am personally familiar with APA's practice of maintaining such
documents among its business records, and can testify competently thereto.

19 21. Among these four consecutive pilots, the lowest-earning pilot over the five years prior
20 to March 1, 2016, earned approximately \$119,470 per year, and the highest-earning pilot earned
21 approximately \$202,906. The two pilots between them on the seniority list earned approximately
22 \$186,856 and \$175,819 per year. This illustrates the lack of strong correlation between seniority and
23 pay.

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22. For the foregoing reasons, one cannot merely use a mathematical "formula" to estimate the difference in earnings resulting from changing a pilot's position on the American pilot seniority

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<sup>&</sup>lt;sup>1</sup> I do not want to personally identify the pilots, but will note that their seniority numbers as of March 1, 2016, were between 3310 and 3320.

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list. Nor could one merely "match" the pilot with a second pilot who has a seniority number 1 2 consecutive with the new seniority number given to the first pilot, and assume that the first pilot would 3 have had the same earnings history as the second pilot. Rather, one would have to question carefully 4 each individual pilot given a new seniority number to determine what bidding choices that pilot would 5 have made if he or she had possessed that seniority number previously, and what bidding choices that 6 pilot will make in the future with that bidding number. And even with that approach, translating a 7 bidding number to earnings would require substantial guess-work, as one would have to make 8 numerous assumptions regarding factors such as the composition of the Company's aircraft fleet 9 (which affects flying opportunities and therefore earnings) and the trips made available by the 10 company.

11 23. These problems would only multiply if one was attempting to estimate the earnings 12 differential for a group of pilots rather than an individual pilot, based on a hypothetical change to that 13 group's position on the seniority list. In that scenario, each pilot's differential would be affected not 14 only by all of the factors described above, but also by all of the behavior of the other pilots whose 15 seniority position was changed.

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**Declaration of Arthur McDaniels in Support of APA's Response to Pls' Motion for Class Certification** *American Airlines Flow-Thru Pilots Coalition v. Allied Pilots Assn.*, Case No. 3:15-cv-03125-RS

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1	I declare under penalty of perjury that the foregoing is true and correct on the basis of my
2	personal knowledge and my review of the documents described in this declaration.
3	Executed on March 30, 2016, at FT WORTH, TX.
4	a mo
5	G. Multad
6	Arthur McDaniels
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28	Declaration of Arthur McDaniels in Support of APA's Response to Pls' Motion for Class CertificationAmerican Airlines Flow-Thru Pilots Coalition v. Allied Pilots Assn., Case No. 3:15-cv-03125-RS6

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# **EXHIBIT 1**

# JOINT COLLECTIVE BARGAINING AGREEMENT (JCBA)

between

# AMERICAN AIRLINES, INC.

and

THE AIRLINE PILOTS

in the service of

AMERICAN AIRLINES, INC. and US AIRWAYS, INC.

as represented by the

ALLIED PILOTS ASSOCIATION

EFFECTIVE: JANUARY 30, 2015

- 1

# AGREEMENT between AMERICAN AIRLINES, INC. and THE AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC. and US AIRWAYS, INC. as represented by the ALLIED PILOTS ASSOCIATION Effective: January 30, 2015

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC., hereinafter known as the "Company", and the air line pilots in the service of AMERICAN AIRLINES INC. and US AIRWAYS, INC. as represented by the ALLIED PILOTS ASSOCIATION, hereinafter known as the "Association".

In making this Agreement the parties hereto recognize that compliance with the terms of the Agreement and the development of a spirit of cooperation is essential for mutual benefit and for the intent and purpose of this Agreement.

It is hereby mutually agreed:

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Note: Single vertical line in the table of Contents indicates the Section, Supplement or Letter was not contained in the Merger Transition Agreement (MTA).

Single vertical line in the body of this Agreement indicates a change from the MTA, revision 1.

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# **SECTION 2**

### DEFINITIONS

### A. Air Freight Feed Operation

A freight operation conducted with non-turbojet aircraft whose primary purpose is to "feed" the Company's aircraft and which is flown with active or furloughed pilots of the Company or under contract.

#### **B. Bid Lines**

1. "Bid line" means any monthly regular or reserve flying assignment.

#### C. Calendar Month

"Calendar month", as used herein, shall mean the period from the first day of, to and including the last day of each calendar month of the year, except that for pilot scheduling and pay purposes the following shall apply.

Calendar Month	Contractual Month	# Days in Contractual Month
January	January 1 <sup>st –</sup> January 30 <sup>th</sup>	30
February	January 31 <sup>st –</sup> March 1 <sup>st</sup>	30 (31 in Leap Year)
March	March 2 <sup>nd –</sup> March 31 <sup>st</sup>	30
April	April 1 <sup>st –</sup> May 1 <sup>st</sup>	31
Мау	May 2 <sup>nd –</sup> June 1 <sup>st</sup>	31
June	June 2 <sup>nd –</sup> July 1 <sup>st</sup>	30
July	July 2 <sup>nd –</sup> July 31 <sup>st</sup>	30
August	August 1 <sup>st –</sup> August 30 <sup>th</sup>	30
September	August 31 <sup>st –</sup> September 30 <sup>th</sup>	31
October	October 1 <sup>st –</sup> October 31 <sup>st</sup>	31
November	November 1 <sup>st –</sup> December 1 <sup>st</sup>	31
December	December 2 <sup>nd –</sup> December 31 <sup>st</sup>	30

# D. Captain

"Captain" means a pilot who is in command of the aircraft and is responsible for the manipulation of, or who manipulates the flight controls of an aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a current airman's certificate authorizing service as a Captain and who holds a Captain bid status.

#### E. Changeover pairings / prior removal sequence

Pairings on the next month allocation for trip sequences originating in the current contractual month. They may be longer or shorter which show a commitment for that particular month. Pay protection for any changes are limited to the current month's flying.

SECTION 2 - 1

### F. Classification date

A pilot's Classification Date is assigned concurrent with such pilots' occupational date and shall continue to accrue during such period of duty except as provided in Sections 11, 12, and 17 of this Agreement. Classification seniority is used to determine pay level and the timing of advancement to succeeding pay levels.

#### G. Company date

In most cases it is the same as your <XREF>date of hire since it is based on continuous service with AMR. A current AMR employee hired as an AA pilot will retain his/her original Company date. It is adjusted due to furloughs and leaves of absence as provided for in Sections <u>11</u> and <u>17</u>.

#### H. Co-terminals as used in this Agreement shall mean:

- 1. Kennedy/Newark/LaGuardia
- 2. Midway/O'Hare
- 3. Dallas/Fort Worth International Airport/Love Field
- 4. Washington/Dulles International
- 5. Tampa/St. Petersburg
- 6. Miami/Fort Lauderdale

The above shall become and remain in effect when crew bases are maintained in the respective cities.

#### I. Contractual Month

"Contractual month" as used herein, shall mean the period of time, for pilot scheduling and pay purposes, during which allocated flying and the associated bid lines shall be effective, in accordance with Section 2.B.

#### J. Credited Projection (PROJ)

A pilot's total time for the month, including fly through time credited at the beginning of the month, the greater of scheduled or actual for flying already performed, scheduled time for flying yet to be performed, credits as provided in Section 15 Hours of Service (E.- minimum pay and credit for an on duty period, F. - minimum pay and credit for time away from base, and G.- minimum and average pay and credit for an on duty period), and credit for scheduled flight time when relieved of flying duties as provided in <u>Section 5</u>, [trips missed due to paid sick leave, a training program of more than five (5) days, vacation, jury duty, and Association leave] and credited time for any credit/no pay removals (for example, unpaid sick). Credited Projection (PROJ) is used in conjunction with Scheduled Projection (SPROJ) to determine a regularly scheduled pilot's legality in accordance with <u>SECTION 15</u> Hours of Service.

#### K. Crew Tracking Trip Sequence(s)

Any pairing or repairing of a trip or trip sequence by Crew Tracking, or any flying that is not planned in advance to permit inclusion in a pilot's monthly trip selection, shall be called a "Crew Tracking Sequence".

#### L. Date of hire

The first day as an AA pilot. This date does not change for furloughs or leaves of absence.

#### M. Diversion

When a crew makes an unscheduled or scheduled landing at a destination other than planned, generally due to operational reasons such as (weather, mechanical, pick-up passengers, passenger emergency).

### N. Divisions

1. Domestic Division

The Domestic Division is comprised of only Domestic Sequences.

2. International Division

The International Division is comprised of both Domestic and International Sequences, provided that where an International Division is co-located with a Domestic Division on the same Equipment, domestic sequences may be included only as necessary to:

- a. meet a particular month MALV, or
- b. provide opportunities to maintain currency, or
- c. minimize TDYs, or
- d. meet guidelines agreed to by the Joint Scheduling Committee.

### O. Domicile

A common location where a group of pilots are based.

### P. Duty day

A calendar day (0000-2400) in which any duty is performed for the company including sign-in and debrief.

# Q. Duty period

The elapsed time between sign-in time and release time;

- 1. Sign-in time shall not be less than one hour prior to scheduled or rescheduled departure time for a pilot flying the first flight of a duty period or thirty (30) minutes prior for a pilot deadheading.
- 2. Release time shall apply to all scheduled flying and deadheading and shall be fifteen (15) minutes after the scheduled or actual block in time, whichever is later. (30 minutes for an International Sequence).
- 3. Deadheading to and from training does not require a thirty (30) minute sign-in or a fifteen (15) minute debrief.

#### R. First Officer

"First Officer" means a pilot who is second in command of the aircraft and any part of whose duty is to assist or relieve the Captain in the manipulation of the flight controls of the aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a current airman's certificate authorizing service as a First Officer and who holds a First Officer bid status. On any international flight requiring more than a two (2) pilot cockpit crew, the First Officer(s) shall also be required to possess an ATPC and a type rating on the equipment flown. For purposes of displacement to an open position on international flights requiring more than a two (2) pilot cockpit crew, the FO, FB and FC positions will be considered interchangeable (e.g. a displaced FO may be assigned to an open FB or FC position.

#### S. Flight Time

- 1. Actual that period of time beginning when an aircraft first moves from the ramp blocks for the purpose of flight and ending when the aircraft comes to a stop at the ramp for the purpose of loading or unloading at either intermediate stops or final destination.
- 2. Scheduled the time published publicly by the Company from flight departure to flight arrival of the flight.

# T. Fly-through

Time resulting from a trip or trip sequence which spans two contractual months and refers to the flight time including P&C for which a pilot is credited in the succeeding contractual month.

#### U. Furlough

"Furlough" means the removal of a pilot from active duty as a pilot with the Company without prejudice, due to a reduction in force, or the period of time during which such pilot is not in the active employ of the Company as a pilot due to such reduction in force.

#### V. Last Trip of the Month

The last active scheduled trip sequence in a pilot's contractual month, other than make up, regardless of when it was added to the pilot's schedule.

#### W. Management pilot

A pilot who occupies a management position in the Flight Department.

#### X. Midnight cutoff

When a change in a contractual month occurs en route, pay and credit for the time flown before midnight shall be paid and credited to the month in which the pilot involved originated the flight. Midnight shall be determined on the basis of local time at the point of last takeoff.

#### Y. Misconnect

Misconnect means that a particular segment, including deadhead, of a pilot's sequence operates sufficiently late into a station so as to cause such pilot to miss the next segment of such pilot's sequence. [See Q&A  $\frac{\#105,15-39}{2}$ ]

#### Z. Night Flying

Night flying" shall include all flying between the hours of 2300 and 0559 pilot's HBT.

#### AA. Occupational date

Generally occupational seniority shall begin to accrue from the date a pilot is first scheduled to complete initial new hire training with the Company and shall continue to accrue during such period of duty except as provided in Sections 11 and 12 of this Agreement. Occupational seniority is used for determining placement on the Pilot System Seniority list and for bidding purposes. Any references to seniority in this Agreement are to Occupational Seniority, unless otherwise specified.

#### BB. Pay or Compensation

"Pay" or "compensation", for purposes of this Agreement, means longevity, hourly and, if applicable, international override pay.

#### CC. Pay Projection (PPROJ)

A pilot's total paid time for the month based on fly through time applied to the Credited Projection (PROJ) at the beginning of the month, the greater of scheduled or actual for flying already performed, scheduled time for flying yet to be performed, credits as provided in <u>SECTION 15</u> Hours of Service (E. - minimum pay and credit for an on duty period, F. - minimum pay and credit for time away from base, and G. - minimum and average pay and credit for an on duty period), for scheduled time when relieved of flying duties as provided in <u>Section 5</u>, [trips missed due to paid sick leave, a training program of more than five (5) days, vacation, jury duty, and Association leave], and for any pay/no credit applications [for example, trips missed due to a training program of five (5) days or less as provided in <u>Section 6.D.1.a.</u>]. Pay adjustments will be made at the end of the month for training pay (<u>Section 6.D.</u>), minimum guarantee (<u>SECTION 4</u>), apportionment pay (<u>Section 6.C.2</u>.)

#### DD. Pilot

"Pilot" shall include and mean <u>Captain</u>, First Officer, and International Officer.

#### EE. Proficiency Displacement

A qualified pilot about to lose a qualification may request to displace another pilot for proficiency flying. The displaced pilot, once removed from the trip, is no longer obligated for such trip. The displacing pilot assumes the obligation to cover the displaced pilot's trip. (See Q&A  $\frac{#28}{2}$ )

#### FF. Reassignment

A pilot who is legal in all respects for such pilot's next regularly scheduled flight/sequence, but is assigned by the Company to perform other flying instead of such regular flight/sequence. The pilot shall be paid for whichever of the two (2) flights/sequences produces the higher pay.

#### GG. Recurrent training

Training and any associated proficiency check(s) for a category in which the pilot is qualified and is for the purpose of retaining qualification before becoming non-current.

#### HH. Reschedule

A pilot shall be deemed rescheduled when assigned flying that is contained within the original sequence footprint or within the pilot's replacement flying window, as applicable, following a disruption to the pilot's scheduled sequence. The original sequence footprint or replacement flying window may be extended if the pilot flies or is deadheaded on the first available flight(s) to base. The "first available flight to base" is the flight(s) that arrives at the base the earliest. The flight(s) may be direct or indirect.

#### II. Requalification training

Training (ground and/or flight) and any associated proficiency check(s) for a category for which the pilot was qualified but is no longer currently qualified.

#### JJ. Satellite Base

A satellite base is a station other than the pilot's domicile which contains sequences that originate and terminate at the same station. Satellite base sequences may only be bid and awarded to pilots domiciled at the crew base to which the satellite base is assigned to. The following satellites shall become and remain in effect when crew bases are maintained in the respective cities:

Crew Bases	Satellites
	Ontario (ONT) / Santa Ana (SNA) /
Los Angeles	Long Beach (LGB)
San Francisco	Oakland (OAK)/San Jose (SJC)
Washington	Baltimore (BWI)
Tampa/St. Petersburg	Sarasota (SRQ)
Miami/Fort Lauderdale	West Palm Beach (PBI)

Any Los Angeles based reserve pilot who originates and terminates a trip sequence at a Los Angeles satellite will have the off duty periods immediately preceding and immediately following such trip sequence extended by one hour (1:00) each.

#### KK. Schedule

"Schedule" means the operating schedule used by the Company in its operations.

#### LL. Scheduled Trip or Trip Sequence

A "scheduled trip or trip sequence" is a published pairing of flying and/or deadheading, consisting of two or more flight segments, which originates and terminates at a crew base.

#### MM. Sequence

1. Domestic Sequence

A Domestic Sequence is a series of flight segments solely comprised of flying between the 48 Contiguous states of the US, and including Canada, plus non-overwater flights to Mexico.

2. International Sequence

An International Sequence is any sequence that is not a Domestic Sequence.

#### NN. Service

"Service" means the period of time assigned to active duty as a flight deck operating crewmember or supervisor with the Company.

#### OO. Sick if needed

A reserve pilot who is sick may call and so notify the Company. The pilot will not be charged sick leave until such pilot is assigned to fly. At the time the pilot is needed to fly (by assignment – not by proffer) such pilot will be so notified and will be placed on sick leave effective that date.

#### PP. Stand in stead displacement

A senior pilot can proffer to stand instead of a junior pilot being displaced from their respective bid status. In doing so, the senior pilot will be awarded a job from his/her bid preference list using the seniority number of the pilot who is most junior in such bid status at that point in the process. Once in the new bid status, pilots will use their own seniority number. The pilot is subject to a lock-in per <u>Section 17L</u>.

#### QQ. Supervisory displacement

When a crewmember is replaced on a whole or partial sequence by a Supervisory Pilot. Crewmember is paid schedule for displacement plus greater of schedule/actual time flown. If crewmember is scheduled to deadhead on displaced leg, the greater of scheduled or actual is paid.

#### **RR.** Supervisory Pilot

Any pilot listed on the American Airlines Pilot Seniority List who is serving in a managerial or instructional capacity and has not been awarded a monthly trip selection, except that a pilot may be utilized as a temporary supervisory pilot under the provisions of <u>SUPPLEMENT O</u>, or may be appointed to a supervisory position during the course of the month.

#### SS. 32 hour legality

FAR legality where an international crewmember of a two man unaugmented crew cannot be scheduled to fly over 32 hours in a seven day period.

FAR legality where a crewmember must be given a period of 24 hours free from all duty within a 7 calendar day period. This relief of duty may be given in the form of a calendar day off, a 24 hour period commencing at any time during the day and terminating 24 hours later (including a period free from all duty of 24 hours or more contained within a sequence), or by moving a reserve's movable duty free period in accordance with <u>Section 15.J.13.j.</u>

# TT. Section 2 Question and Answers

2-1. Q. Is the pay and credit associated with a midnight cut-off considered to be "fly-through" time?

A. Yes

# **SECTION 3**

# PAY

# A. Equipment Groups

- 1. Equipment shall be grouped as follows, with a single rate of pay for each Group:
  - a. Group I: With the exception of aircraft identified in Groups II through V below, any aircraft configured (i.e. as operated by American Airlines) with greater than seventy-six (76) seats and less than one-hundred-eighteen (118) seats, including E190/195, CRJ-1000, MRJ-100, and Bombardier CS100.
  - b. Group II: Bombardier CS300, A319, A319neo, B737-700, B737-7MAX, MD80, B737-800, B737-8MAX, B737-900, B737-9MAX, A320, A320neo, A321, A321neo
  - c. Group III: B757, B767-200, B767-300, A300
  - d. Group IV: B767-400, B777-200, B777-200ER, B777-200LR, B777-300, B777-300ER, B787-8, B787-9, B787-10, A332, A333, A340, A350
  - e. Group V: A380, B747 (all variants)
- 2. New Fleet Types

Any aircraft type, including a new aircraft type, not listed in Section 3.A.1. will be included in the appropriate Group based on the FAA maximum certificated seat configuration of such aircraft types as follows: an aircraft type with an FAA maximum certificated seat configuration of fifty (50) percent or less of the difference between the highest FAA maximum certificated seat configured aircraft type in one Group and the lowest FAA maximum certificated seat configured aircraft type in the next higher Group will be placed in the lower Group; an aircraft type with an FAA maximum certificated seat configured aircraft type in the next higher Group will be placed in the lower Group; an aircraft the difference between the highest configured aircraft type in one Group and the lowest configured aircraft type in the next higher Group will be placed in the higher Group.

# B. Hourly Pay Rates

	Captain - December 2, 2014				
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$132.95	\$202.37	\$213.66	\$253.50	\$266.18
Year 2	\$133.95	\$204.02	\$215.47	\$255.56	\$268.33
Year 3	\$135.06	\$205.68	\$217.22	\$257.65	\$270.53
Year 4	\$136.15	\$207.36	\$218.97	\$259.72	\$272.70
Year 5	\$137.18	\$209.07	\$220.84	\$261.79	\$274.88
Year 6	\$138.30	\$210.75	\$222.56	\$263.86	\$277.05
Year 7	\$139.37	\$212.41	\$224.21	\$265.93	\$279.23
Year 8	\$140.48	\$214.10	\$226.06	\$268.00	\$281.40
Year 9	\$141.55	\$215.76	\$227.67	\$270.08	\$283.58
Year 10	\$142.65	\$217.56	\$230.12	\$272.14	\$285.74
Year 11	\$143.77	\$219.39	\$232.59	\$274.21	\$287.92
Year 12	\$144.83	\$221.20	\$234.99	\$276.28	\$290.10

	First Officer - December 2, 2014				
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$72.85	\$72.85	\$72.85	\$72.85	\$72.85
Year 2	\$72.85	\$109.15	\$115.27	\$136.72	\$143.56
Year 3	\$83.87	\$127.73	\$134.89	\$160.01	\$168.01
Year 4	\$85.91	\$130.84	\$138.17	\$163.88	\$172.07
Year 5	\$87.95	\$134.02	\$141.55	\$167.80	\$176.19
Year 6	\$90.17	\$137.40	\$145.10	\$172.04	\$180.64
Year 7	\$92.69	\$141.25	\$149.10	\$176.84	\$185.68
Year 8	\$94.83	\$144.52	\$152.59	\$180.90	\$189.94
Year 9	\$95.83	\$146.08	\$154.15	\$182.84	\$191.98
Year 10	\$97.15	\$148.15	\$156.71	\$185.33	\$194.60
Year 11	\$98.06	\$149.62	\$158.62	\$187.01	\$196.36
Year 12	\$98.91	\$151.08	\$160.50	\$188.70	\$198.14

	Captain - January 1, 2015 - 3% Increase				
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$136.94	\$208.44	\$220.07	\$261.11	\$274.16
Year 2	\$137.97	\$210.15	\$221.93	\$263.23	\$276.39
Year 3	\$139.11	\$211.85	\$223.74	\$265.38	\$278.64
Year 4	\$140.23	\$213.58	\$225.54	\$267.51	\$280.88
Year 5	\$141.30	\$215.35	\$227.47	\$269.65	\$283.13
Year 6	\$142.45	\$217.07	\$229.23	\$271.78	\$285.37
Year 7	\$143.55	\$218.78	\$230.94	\$273.91	\$287.60
Year 8	\$144.69	\$220.52	\$232.85	\$276.04	\$289.84
Year 9	\$145.80	\$222.24	\$234.50	\$278.18	\$292.09
Year 10	\$146.93	\$224.09	\$237.02	\$280.30	\$294.31
Year 11	\$148.08	\$225.97	\$239.56	\$282.44	\$296.55
Year 12	\$149.18	\$227.84	\$242.04	\$284.57	\$298.80

	Fi	rst Officer - J	lanuary 1, 20 <sup>-</sup>	15 - 3% Increa	ase
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$75.04	\$75.04	\$75.04	\$75.04	\$75.04
Year 2	\$75.04	\$112.43	\$118.73	\$140.83	\$147.86
Year 3	\$86.39	\$131.56	\$138.94	\$164.81	\$173.05
Year 4	\$88.49	\$134.77	\$142.31	\$168.80	\$177.23
Year 5	\$90.59	\$138.04	\$145.80	\$172.83	\$181.47
Year 6	\$92.88	\$141.52	\$149.46	\$177.20	\$186.06
Year 7	\$95.47	\$145.49	\$153.58	\$182.14	\$191.25
Year 8	\$97.67	\$148.86	\$157.17	\$186.33	\$195.64
Year 9	\$98.71	\$150.46	\$158.78	\$188.33	\$197.74
Year 10	\$100.06	\$152.60	\$161.41	\$190.89	\$200.44
Year 11	\$101.00	\$154.11	\$163.38	\$192.62	\$202.25
Year 12	\$101.88	\$155.61	\$165.32	\$194.36	\$204.08

		Captain - Ja	nuary 1, 2016	- 3% Increas	e
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$141.05	\$214.69	\$226.67	\$268.94	\$282.39
Year 2	\$142.11	\$216.45	\$228.59	\$271.12	\$284.68
Year 3	\$143.28	\$218.20	\$230.45	\$273.34	\$287.00
Year 4	\$144.44	\$219.99	\$232.31	\$275.54	\$289.31
Year 5	\$145.54	\$221.81	\$234.29	\$277.74	\$291.62
Year 6	\$146.72	\$223.59	\$236.11	\$279.93	\$293.93
Year 7	\$147.86	\$225.35	\$237.86	\$282.13	\$296.23
Year 8	\$149.03	\$227.14	\$239.83	\$284.32	\$298.54
Year 9	\$150.17	\$228.90	\$241.54	\$286.53	\$300.85
Year 10	\$151.34	\$230.81	\$244.13	\$288.71	\$303.14
Year 11	\$152.52	\$232.75	\$246.75	\$290.91	\$305.45
Year 12	\$153.65	\$234.67	\$249.30	\$293.11	\$307.76

	F	irst Officer - 、	January 1, 20 <sup>-</sup>	16 - 3% Increa	ase
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$77.29	\$77.29	\$77.29	\$77.29	\$77.29
Year 2	\$77.29	\$115.80	\$122.29	\$145.05	\$152.30
Year 3	\$88.98	\$135.51	\$143.11	\$169.75	\$178.24
Year 4	\$91.14	\$138.81	\$146.58	\$173.86	\$182.55
Year 5	\$93.30	\$142.18	\$150.17	\$178.02	\$186.92
Year 6	\$95.67	\$145.77	\$153.94	\$182.52	\$191.64
Year 7	\$98.33	\$149.85	\$158.18	\$187.61	\$196.98
Year 8	\$100.60	\$153.32	\$161.88	\$191.92	\$201.51
Year 9	\$101.67	\$154.97	\$163.54	\$193.98	\$203.68
Year 10	\$103.06	\$157.17	\$166.25	\$196.62	\$206.45
Year 11	\$104.03	\$158.73	\$168.28	\$198.40	\$208.32
Year 12	\$104.93	\$160.28	\$170.27	\$200.20	\$210.20

		Captain - Ja	nuary 1, 2017	- 3% Increas	e
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$145.28	\$221.13	\$233.47	\$277.01	\$290.86
Year 2	\$146.37	\$222.94	\$235.45	\$279.26	\$293.22
Year 3	\$147.58	\$224.75	\$237.36	\$281.54	\$295.61
Year 4	\$148.77	\$226.59	\$239.28	\$283.80	\$297.99
Year 5	\$149.91	\$228.46	\$241.32	\$286.07	\$300.37
Year 6	\$151.13	\$230.29	\$243.19	\$288.33	\$302.74
Year 7	\$152.29	\$232.11	\$245.00	\$290.59	\$305.12
Year 8	\$153.50	\$233.95	\$247.03	\$292.85	\$307.49
Year 9	\$154.68	\$235.77	\$248.79	\$295.12	\$309.87
Year 10	\$155.88	\$237.73	\$251.46	\$297.37	\$312.24
Year 11	\$157.10	\$239.73	\$254.15	\$299.64	\$314.61
Year 12	\$158.26	\$241.71	\$256.78	\$301.90	\$316.99

	First Officer - January 1, 2017 - 3% Increase				ase
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$79.61	\$79.61	\$79.61	\$79.61	\$79.61
Year 2	\$79.61	\$119.28	\$125.96	\$149.40	\$156.87
Year 3	\$91.65	\$139.57	\$147.40	\$174.84	\$183.58
Year 4	\$93.87	\$142.97	\$150.98	\$179.08	\$188.03
Year 5	\$96.10	\$146.44	\$154.68	\$183.36	\$192.53
Year 6	\$98.54	\$150.14	\$158.56	\$187.99	\$197.39
Year 7	\$101.28	\$154.35	\$162.93	\$193.23	\$202.89
Year 8	\$103.62	\$157.92	\$166.74	\$197.67	\$207.56
Year 9	\$104.72	\$159.62	\$168.45	\$199.80	\$209.79
Year 10	\$106.15	\$161.89	\$171.24	\$202.52	\$212.64
Year 11	\$107.15	\$163.49	\$173.33	\$204.35	\$214.57
Year 12	\$108.08	\$165.09	\$175.38	\$206.20	\$216.51

		Captain - Ja	nuary 1, 2018	- 3% Increas	e
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$149.64	\$227.76	\$240.47	\$285.32	\$299.58
Year 2	\$150.76	\$229.63	\$242.51	\$287.64	\$302.01
Year 3	\$152.01	\$231.49	\$244.48	\$289.99	\$304.48
Year 4	\$153.23	\$233.38	\$246.46	\$292.32	\$306.93
Year 5	\$154.40	\$235.31	\$248.56	\$294.65	\$309.38
Year 6	\$155.66	\$237.20	\$250.49	\$296.98	\$311.83
Year 7	\$156.86	\$239.07	\$252.35	\$299.31	\$314.27
Year 8	\$158.11	\$240.97	\$254.44	\$301.64	\$316.72
Year 9	\$159.32	\$242.84	\$256.25	\$303.97	\$319.17
Year 10	\$160.56	\$244.87	\$259.00	\$306.29	\$321.61
Year 11	\$161.81	\$246.92	\$261.78	\$308.63	\$324.05
Year 12	\$163.01	\$248.96	\$264.49	\$310.96	\$326.50

	Fi	irst Officer - 、	January 1, 20	18 - 3% Increa	ase
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$81.99	\$81.99	\$81.99	\$81.99	\$81.99
Year 2	\$81.99	\$122.85	\$129.74	\$153.88	\$161.58
Year 3	\$94.40	\$143.76	\$151.82	\$180.09	\$189.09
Year 4	\$96.69	\$147.26	\$155.51	\$184.45	\$193.67
Year 5	\$98.99	\$150.84	\$159.32	\$188.86	\$198.30
Year 6	\$101.49	\$154.65	\$163.32	\$193.63	\$203.31
Year 7	\$104.32	\$158.98	\$167.82	\$199.03	\$208.98
Year 8	\$106.73	\$162.66	\$171.74	\$203.60	\$213.78
Year 9	\$107.86	\$164.41	\$173.50	\$205.79	\$216.08
Year 10	\$109.34	\$166.75	\$176.38	\$208.59	\$219.02
Year 11	\$110.37	\$168.40	\$178.53	\$210.48	\$221.00
Year 12	\$111.32	\$170.04	\$180.64	\$212.39	\$223.00

		Captain - Ja	nuary 1, 2019	- 3% Increas	e
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$154.13	\$234.60	\$247.69	\$293.88	\$308.57
Year 2	\$155.28	\$236.52	\$249.78	\$296.26	\$311.07
Year 3	\$156.57	\$238.43	\$251.82	\$298.69	\$313.62
Year 4	\$157.83	\$240.38	\$253.85	\$301.09	\$316.14
Year 5	\$159.03	\$242.37	\$256.01	\$303.49	\$318.66
Year 6	\$160.33	\$244.32	\$258.00	\$305.89	\$321.18
Year 7	\$161.57	\$246.24	\$259.92	\$308.29	\$323.70
Year 8	\$162.85	\$248.20	\$262.07	\$310.69	\$326.22
Year 9	\$164.10	\$250.13	\$263.94	\$313.09	\$328.74
Year 10	\$165.38	\$252.21	\$266.77	\$315.48	\$331.25
Year 11	\$166.66	\$254.33	\$269.63	\$317.88	\$333.77
Year 12	\$167.90	\$256.43	\$272.42	\$320.29	\$336.30

	Fi	irst Officer	January 1, 20 <sup>-</sup>	19 - 3% Increa	ase
	Group I	Group II	Group III	Group IV	Group V
Year 1	\$84.45	\$84.45	\$84.45	\$84.45	\$84.45
Year 2	\$84.45	\$126.54	\$133.63	\$158.50	\$166.42
Year 3	\$97.23	\$148.07	\$156.38	\$185.49	\$194.77
Year 4	\$99.59	\$151.68	\$160.18	\$189.98	\$199.48
Year 5	\$101.96	\$155.36	\$164.10	\$194.53	\$204.25
Year 6	\$104.54	\$159.29	\$168.22	\$199.44	\$209.41
Year 7	\$107.45	\$163.75	\$172.85	\$205.00	\$215.25
Year 8	\$109.93	\$167.54	\$176.89	\$209.71	\$220.20
Year 9	\$111.10	\$169.35	\$178.71	\$211.97	\$222.56
Year 10	\$112.62	\$171.75	\$181.67	\$214.85	\$225.59
Year 11	\$113.68	\$173.45	\$183.89	\$216.80	\$227.63
Year 12	\$114.66	\$175.15	\$186.06	\$218.76	\$229.69

# C. Determination of Hours

- 1. a. In determining the hours flown by pilots for pay purposes, the actual time from block to block and time credited for pay purposes as specified elsewhere in this Agreement shall be used; provided that on each sequence where scheduled times have been established, the pilot shall be paid for no less than such scheduled time.
  - b. Subsequent to the start of a contractual month, the Company may add flight time to a scheduled segment by changing the scheduled arrival time for the sole purpose of correcting arrival performance. Such addition of flight time shall not be considered a reassignment under <u>Section 15.N</u> of this agreement. In a contractual month, the total number of such adjusted segments shall not exceed two percent (2%) of the total number of system scheduled segments. The difference between the credited time of the adjusted segment after having been flown and the time of the segment as originally scheduled shall be paid at the rate of one and one-half (1-1/2) minutes for each one (1) minute of credited flight time.
- 2. When the scheduled block to block time is found in actual operation to be improper, conferences shall be held at the request of the pilot representatives for the purpose of establishing proper scheduled times to be used for pay purposes.
- **D.** A pilot who holds a Captain assignment shall receive international override pay at the rate of six dollars (\$6.00) per hour for each hour of International flying actually performed. Except as provided elsewhere in this Agreement, International override shall not apply to the contiguous forty-eight (48) states and Canada.
- **E.** A pilot who holds a First Officer assignment shall receive, in addition to pay computed as provided in Section 3.B of the Basic Agreement, international override pay based on a percentage of Captain international override for the same year of service as follows:

Year in Which	Percentage of Comparable Year
Serving	Captain International Override
2 3 4 5 6 7 8 9 10 11 12 and therea	50.0% 60.0% 61.0% 62.0% 63.0% 64.0% 65.5% 67.0% 68.0% 68.5% 68.5% 69.0%

# F. Pay Check Process

Pilots shall be paid on the 15<sup>th</sup> and 30<sup>th</sup> of each month. Pilot pay due on the thirtieth (30th) of the month shall be an amount approximately fifty percent (50%) of the previous month's total pay. The remainder shall be paid on the 15th of the following month along with any adjustments.

# G. General

When a change in a contractual month occurs en route, pay and credit for the time flown before midnight shall be paid and credited to the month in which the pilot involved originated the flight. Midnight shall be determined on the basis of local time at the point of last takeoff.

# H. Displacement Pay Protection

If any pilot, who was active on December 09, 2013, is involuntarily displaced to a Group 1 aircraft, the pilot's hourly pay rate shall not be reduced. This pay protection shall terminate if and when the involuntarily-displaced pilot can hold a position at the same or higher pay rate.

I. Section 3 Questions and Answers

# **SECTION 15**

# HOURS OF SERVICE and WORK RULES

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# A. General

- 1. Joint Scheduling Committee
  - a. The Association and the Company will form individual Scheduling Committees that together will comprise the Joint Scheduling Committee (JSC). The JSC may evaluate and make recommendations concerning:
    - (1) Sequence construction, generation, and review;
    - (2) Bid line awards;
    - (3) Training bids and awards;
    - (4) Reserve line awards, staffing and utilization;
    - (5) Trip Trade System (TTS) and trip trades with open time;
    - (6) Vacations;
    - (7) Block hour adjustment;
    - (8) PBS line construction parameters;
    - (9) Domicile and Home Base block hour allocations by equipment; and
    - (10)Fatigue mitigation recommendations from the FRC; and
    - (11)Other scheduling related issues of mutual interest agreed upon by the Association and the Company.

- b. The JSC may enter into agreements, in the form of a temporary memorandum of understanding, of no greater than two (2) consecutive bid periods in order to modify or integrate the scheduling functions in paragraph a. above. The two (2) month consecutive bid period may be extended by mutual agreement.
- c. Data Access
  - (1) The Association members of the JSC shall be provided access to and will use all methods, data, and reference materials that it determines are reasonable and necessary to affect their work. The JSC shall coordinate the timely exchange of data and reports, as well as the format, content, and media of such information. To the extent possible, the Association members shall have independent access from locations other than Company locations.
  - (2) It is understood by the parties that some information may be identified by the Company as privileged. The Association agrees to keep this information confidential until informed otherwise by the Company.
- d. Meetings
  - (1) Meetings shall be held quarterly, or more often, as deemed appropriate by the JSC, and in a place of its choosing.
  - (2) The Association and the Company will exchange, maintain, and update points of contact between their respective subcommittees. The respective committees need not physically meet as a whole to complete their work. However, both the Association and the Company must be equally engaged before recommendations are approved.
  - (3) The Company shall provide the APA JSC participants with Association leave from flying duties when the requirements of the Company permit.
- e. Recommendations
  - Contemplated changes to crew resource methodologies pertinent to the future allocation and line construction process will be discussed jointly prior to their implementation.
  - (2) The Company will consider recommendations made by the JSC regarding the priority to be placed on controllable variables used in the production of allocations (i.e. sequences) and other areas reviewed by the JSC.
  - (3) The Company shall implement mutually agreed upon recommendations of the JSC in a timely manner.
- 2. Periodic Review of Forecast Accuracy

The JSC will develop methods for improving the usefulness and accuracy of the three and six month pilot job forecast information that is provided to pilots in accordance with Section17.F.1.d. of the Agreement.

- 3. Preferential Bidding System (PBS)
  - a. At the appropriate time and before implementation, but not later than June 30, 2013, the Company and the Association shall negotiate in good faith a PBS Memorandum of Understanding (MOU).
  - b. Both the Company and the Association shall mutually agree on subsequent changes to the PBS MOU.
  - c. The most recent PBS Memorandum of Understanding (MOU) shall govern PBS.
  - d. All PBS algorithms, logic, bidding options, interface, PBS versions, etc, shall be mutually agreed upon and shall not be changed without mutual agreement. The Company shall not substitute, alter, or modify the software or hardware in a way that affects the functionality of the PBS without the prior written consent of the PBS Working Group.
  - e. PBS will allow each pilot in a four part bid status to bid for and be awarded a line based on programmed award logic, FARs, the Collective Bargaining Agreement and the pilot's:
    - (1) known absences;
    - (2) bid preferences;

(3) seniority.

- 4. Preferential Bidding System Working Group (PWG)
  - a. The PWG is a subcommittee of the Joint Scheduling Committee and shall be comprised of six voting members and others as designated below:
    - (1) Company Members: Managing Director of Operations Planning or equivalent and two additional Company representatives;
    - (2) Association Members: APA Deputy Chairman/Scheduling and two additional representatives of the Technical Analysis and Scheduling Committee (TASC);
    - (3) Additional non-voting Company and/or Association representatives may be added to the PWG as necessary by the mutual consent of the Managing Director of Operations Planning and the APA (TASC) Deputy Chairman/Scheduling.
  - b. The PWG will be responsible for the oversight of the development, training, implementation, introduction schedule, and continuing administration and operation of PBS as set forth herein. In carrying out these responsibilities, the PWG will consider both operational efficiency and pilot quality of life.
  - c. The PWG will meet at a mutually acceptable time and place to ensure this Agreement continues to provide both realistic operational efficiency and pilot quality of life as described below:
    - (1) In the first six months after PBS implementation, the PWG will meet at least monthly;
    - (2) In the second six months after PBS implementation, the PWG will meet at least bimonthly; and
    - (3) Thereafter, the PWG will meet at least quarterly unless mutually agreed otherwise.
  - d. The PWG shall have regular and timely access to the PBS vendor, PBS servers, and communications between the Company, the Association and the PBS vendor necessary to oversee and administer PBS as set forth herein.

#### **B.** Notification

- The Company shall maintain a standard method of notifying pilots of the scheduled departure time of their sequences. When the scheduled departure time is appreciably delayed, pilots shall be notified as far in advance as is practicable, consistent with the circumstances. At originating stations, every effort shall be made to promptly notify pilots of any cancellation, delay or deferment of their trips.
- 2. To the maximum extent possible, electronic notification and acknowledgment between the Company and pilots will be used for open time assignments.
- 3. While on duty, pilots are expected to respond to Company attempts to notify them of changes to their current sequence.
- 4. Reserve pilots are responsible for being contactable while on Short or Long Call Duty, and are expected to respond to Crew Schedule without unreasonable delay.
- 5. The Company may notify the crewmember via ACARS of schedule changes provided that the notification can be made during non sterile periods.
- 6. Pilots shall not be required to keep the Company advised of their whereabouts on days off, while on vacation or while on layover, except that pilots on international layovers will leave contact information if they do not use the layover facilities provided by the Company.
- 7. It shall be the responsibility of pilots who are unable to report for duty to notify, as far in advance as possible, the controlling Chief Pilot or a designated representative of this fact, giving the reason for their inability to report for duty.
- 8. Pursuant to protecting a pilot's sleep, calls between 0000 and 0700 to inform a pilot of an assignment, delay or cancellation of an assigned flight should be made as late as possible.

The intent is to avoid interrupting rest with telephone calls that can be made at a different time.

- 9. Recording of Phone Calls
  - a. Where such recordings are permissible with applicable legal and/or regulatory requirements, the Company shall create and maintain recordings of telephone calls between pilots and Crew Schedule/Tracking, Planning and Pay Compensation. Conversations shall be recorded and stored digitally.
  - b. The intent of recording incoming and outgoing phone calls is to raise the level of decorum and professionalism within and between the parties, and to assist in the resolution of scheduling and pay-related issues as necessary.
  - c. All parties will be notified as soon as practicable, but in no case less than thirty (30) days in advance that audio recordings will be implemented.
  - d. A recording notification disclaimer shall be included on initial contact. The recording shall run continuously for the duration of each call, with no ability to selectively start and stop such recording.
  - e. The Company shall retain the recorded phone calls for a period of ninety (90) days, and absent an identified request or legal requirement as specified in this paragraph, all recordings will be automatically deleted at the 90-day point. Either party may request retention of a relevant recording associated with contractual issues on pay, planning or scheduling beyond the ninety (90) day period. Such recording(s) will be retained until both parties agree that the specific issue has been resolved. Nothing in this paragraph is intended to limit the Company's ability to satisfy its legal obligations with regard to the preservation of evidence, provided that in the event the Company determines it is legally obligated to preserve any recording covered by this paragraph the Company shall promptly notify the Association of such determination and provide an explanation of the nature of the legal obligation requiring preservation and when the obligation arose.
  - f. When an issue is identified by either party, the call may be reviewed by a representative of both the Company and the Association. A recorded conversation may only be copied or transcribed to hard copy with the mutual consent of all parties involved. The specific details of the recorded call shall remain confidential.
  - g. Recordings, transcripts, copies, or information obtained from a recorded conversation may not be used in any disciplinary proceeding or process.
  - h. The Association may terminate the telephonic recording system with a minimum of thirty (30) days' notice. Upon termination, Supplement G (Commuter Policy) shall be replaced by the May 19, 2004 version.

#### C. Flight Time and Duty Time Limits

- 1. Monthly Maximums
  - a. Pilots flying Group I aircraft may pick-up as restricted only by FAR limits.
  - b. Pilots flying Group II through V aircraft may pick-up to the lower of the following:
    - (1) That pilot's particular Individual Monthly Maximum (IMAX) as defined in 2. below
    - (2) The Company Limit on Voluntary Flying established by the Company for that pilot's bid status for a particular month.
    - (3) FAR limits
- 2. Individual Monthly Maximum (IMAX)
  - a. A pilot's IMAX is calculated by subtracting the Retrospective Factor and the Prospective Factor from 1080.
    - (1) The Retrospective Factor is the total of the pilot's credited projection (PROJ) for the previous eight (8) months not counting the current month. A pilot's actual PROJ in the most recent of the previous eight (8) months will be used in determining the Retrospective Factor.

- (2) The Prospective Factor is the estimated credited projection for the next three (3) months (e.g. 246 hours assuming the PROJ is 82 hours).
- (3) The number that remains is the current month's IMAX.
- b. The IMAX is intended to limit a pilot to an average of ninety (90) credited hours per month in a rolling twelve (12) month period, except as provided for in <u>Section 15.N</u>. and <u>15.I</u>
- c. The <u>JSC</u> will make appropriate adjustments to the Prospective Factor, if needed, to yield a result that meets the intent of b. above.
- 3. Limit on Voluntary Flying
  - a. The Company may establish a limit on voluntary flying for any particular bid status for any contractual month. This limit will never be less than that particular bid status' MALV + 7 hours.
  - b. In any bid status in which the Company establishes a limit on voluntary flying, a pilot may exceed the limit only if the sequence to be picked up from another pilot could not be dropped into open time, and the sequence could not be dropped to another pilot in the same bid status without the pilot exceeding the limit.
- 4. Reserve Pilot Limits:
  - a. Reserve pilots can be assigned flying up to eighty-five (85) hours. Reserve pilots may elect to fly on days off at Company option and will be paid above guarantee. Total credited hours of flying on days off and on reserve days shall not exceed the lesser of the pilot's <u>IMAX</u> or the greater of eighty-five (85) hours or the limit on voluntary flying established by the Company for their bid status.
  - b. Flying on, into, or out of a Reserve pilot's days off will be excluded in the eighty-five (85) hour assignment maximum. In the event the Company awards a Reserve pilot a sequence on a DFP, pay for that sequence will be applied above guarantee or PPROJ (whichever is greater), no credit.

Example: The Company has placed a 90 hour limit on voluntary flying for a particular month. A reserve pilot picks-up a 15 hour sequence on his days off. The 15 hour pick-up sequence is treated as follows:

- (1) 15 hours is added to the pilot's PROJ, and the pay is applied above guarantee
- (2) The first 5 hours of the sequence is attributed to the difference between the 85 hour reserve assignment maximum and the Company Imposed Maximum, and the remaining 10 hours counts towards the 85 hour reserve assignment maximum.
- 5. Hours of Service
  - a. Flight time limitations, duty limitations and rest requirements shall be as specified in the Federal Aviation Regulations, 14 CFR Part 117, with the following exceptions:
    - (1) Home Base Time (HBT) will be used to determine on duty periods under this Section, unless a flight crew member is acclimated, as defined in 14 CFR Part 117, in a theater that does not include his home base.
    - (2) Flight Duty Periods scheduled with flying greater than eight (8) hours and that touch the WOCL (0200-0559 HBT) require three (3) pilots.
    - (3) Flights with a scheduled block time of greater than sixteen (16) hours will be scheduled with a crew complement of two (2) Captains and two (2) First Officers. The Company is not required to crew two (2) Captains and two (2) First Officers for flights with scheduled block times of less than or equal to 16:00 hours in instances where the flight plan exceeds 16:00 hours.
    - (4) A crew bunk(s) is required for flights scheduled for greater than twelve (12) hours for each additional crewmember.
    - (5) Delays while on layover in the Long Haul environment

The Company may notify crews on layovers prior to:

- (a) scheduled transoceanic international flights, or
- (b) flights to or from Hawaii and Alaska, or

(c) flights to or from destinations south of Equator,

of departure delays via the following procedures:

- (i) At anytime prior to ten (10) hours before originally scheduled sign-in time the Company may notify the crew of the delayed departure time permitting the commencement of a new ten (10) hour rest period (twelve (12) hours rest period if the rescheduled departure time would cause the FDP to sign-in before and operate into the WOCL) and corresponding new FDP based on the delayed departure time.
- (ii) If within ten (10) hours of the originally scheduled sign-in time, the Company is made aware of a departure delay, the Company may notify the layover crew of a departure delay provided the notification is made no later than two (2) hours before originally scheduled hotel departure time by:

[1] Silent insertion of delay note under hotel room door and/or silent operation of message waiting light in hotel room.

[2] Adjustment of any scheduled wake-up calls commensurate with the amount of the delay.

[3] This notification will qualify for the use of the FAR 117 short call reserve RAP/FDP provisions to provide a larger duty window within which to complete the flight by placing the pilot in a RAP starting at the originally scheduled sign-in time.

[4] The steps in [1] and [2] above should be accomplished as soon as possible after Company becomes aware of the delay so as to maximize crew rest.

- (6) Shifting Limits: The following provisions apply to any assignment within the 24 hours following the start of a Short Call RAP assignment that is not contained within the Short Call RAP:
  - (a) A subsequent RAP or trip sequence that does not impinge on the WOCL shall not commence or sign in any earlier than nineteen (19) hours after the start time of the previous RAP.
  - (b) A subsequent RAP or trip sequence that impinges on the WOCL shall not commence or sign in any earlier than twenty-one (21) hours after the start time of the previous RAP.

Example: A pilot in a 0700 RAP may only be shifted as early as 0400 from one day to the next (21 hours for a WOCL RAP), while a pilot in a 1100 RAP may be shifted to a RAP as early as 0600 (19 hours for a non-WOCL RAP).

- (c) A Short Call pilot may not be released from the current RAP and assigned to a later RAP or trip sequence that violates the above limits.
- (d) When shifting to an earlier RAP as a result of DOTC processing, a Short Call Reserve pilot, during the verification process between 1500-1600 HBT, will:
  - (i) verify their current RAP's adjusted completion time and commencement time of a RAP (if any) for the following day.
  - (ii) be released from the current RAP at the adjusted completion time in order to provide a minimum of ten (10) hours rest prior to commencement of the followon RAP.
- (e) The shifting limits do not apply following a DFP or other planned absence.
- (7) Upon completion of a sequence, which includes debrief, Reserve pilots shall have a 12-hour Domicile Rest period.
- b. A pilot shall not remain on duty beyond the limitations of paragraph a. above.
- c. In the event FAR 14 CFR Part 117 is amended in a way that results in relaxing the previous standards required by the Regulations, the Company and the Association agree to review the specific provisions of Section 15 impacted by the amendment. Such relaxed standards and any related changes to Section 15 shall only be implemented by mutual agreement between the parties.

- d. A pilot's scheduled or rescheduled on duty period shall commence:
  - (1) One (1) hour prior to the scheduled or rescheduled departure time for a pilot flying the first flight of a duty period, or thirty (30) minutes prior to the scheduled or rescheduled departure time for a pilot deadheading on the first flight of a duty period, and shall continue until fifteen (15) minutes after the scheduled arrival time of the duty period's last flight assignment for Domestic Sequences and thirty (30) minutes after scheduled arrival time of the duty period's last flight assignment for International Sequences. [See Q&A <u>15-3</u>, <u>15-4</u>, <u>15-5</u>]
  - (2) Such scheduled or rescheduled on duty period shall run continuously unless broken by a scheduled or rescheduled rest period.
- e. The required reporting times of one (1) hour, or thirty (30) minutes, and the fifteen (15) or thirty (30) minutes debriefing times, are to be considered a part of all on duty periods.
- f. A pilot deadheading shall be considered on duty, provided that the Company may approve such pilot's request to exceed on duty limitations for the purpose of deadheading to the pilot's base. [See Q&A <u>15-6</u>]
- g. In actual operations, an on-duty period shall commence at the required reporting time, specified in <u>C.5.d</u>.(1) and C.5.e. above, but in any event not less than one (1) hour before departure and shall run continuously unless broken by a required rest period.
- h. If sequence termination at the pilot's base is at a co-terminal other than the original point of departure, there shall be added one (1) hour to the on duty period for the purpose of allowing for the use of Company furnished transportation as set forth in Section 24.J. of this Agreement. However, this hour shall not be construed to be a part of the on duty period.
- i. The Company, with input from the <u>JSC</u> and the FRC, shall establish and publish any appropriate buffers, restrictions and limitations to be used in both scheduled and actual operations in addition to the FAR Flight Time and Duty Time limitations and rest requirements. These additional requirements will be used to facilitate schedule and operational reliability and address fatigue issues as identified by the JSC and FRC.
- 6. Required 30 Hour Rest Period Placement

Required 30 hour rest periods on a Duty Free Period (DFP) will be positioned to end at the later of:

- a. the end of the DFP, or
- b. the beginning of the pre-assigned RAP, if applicable, following the DFP.
- 7. Fly Through Time

Fly through time from one month to another shall be paid and credited in the month in which the sequence terminates. All fly through time on a pilot's schedule at the time the bid lines are being awarded shall be credited towards a pilot's monthly bid line maximum.

- 8. No pilot shall be assigned any duty with the Company during any rest period.
- 9. Duty aloft includes the entire period during which a pilot is assigned as a member of an airplane crew during flight time.
- 10. Scheduled for duty aloft means the assignment of a pilot on the basis of the flight time established in the operations schedules rather than actual flight time.
- 11. Flight time is the time from the moment the airplane first moves for the purpose of flight until it comes to rest at the next point of landing (block-to-block time). However, when the Captain elects to delay starting engines due to quoted takeoff delays, flight time will, at the option of the Captain, be considered to begin at the time the aircraft would normally have departed,

and such delay time shall apply for pay and credit purposes and monthly credited time, but will not be included in duty aloft time.

- 12. The Company will maintain a computer tracking and alert system in order to provide prospective notification to crewmembers who may require an FAR required rest period.
- 13. Maximum Flight Time Pay and Flight Time Credit
  - a. Except as set forth in <u>H.10</u>. of this Section, flight time pay and flight time credits provided in paragraphs <u>E., F</u>. and <u>G</u>. of this Section are not cumulative, but only the greater will apply.
  - b. A pilot shall be entitled to only the flight time pay and flight time credit for scheduled or rescheduled time away from base, as provided in <u>F.1</u>. of this Section, when the pilot's return to base is delayed by a strike or work stoppage which substantially affects the operation of the Company; provided, if the pilot is returned to base by the Company, in this specific case, the return deadhead transportation to the pilot's base is called "pilot's convenience", and no reschedule is involved.
  - c. The provisions of F.1 of this Section shall not apply beyond the first twenty-four (24) hours of excess time away from base resulting from the delay in a pilot's return to base due to an official NOTAM which closes, for a period of twenty-four (24) hours or more, the airport at which such pilot is laying over or at which such pilot is forced to layover as the result of such airport closing, provided that such pilot is assigned by the Company to deadhead to base via the first available deadhead transportation, or assigned by the Company to deadhead to base via air transportation within six (6) hours after the first American Airlines flight operates into or out of the airport at which such pilot is laying over. In this instance, excess time away from base shall be the difference between the time such pilot actually arrives at base and the time such pilot would have arrived had there been no airport closing.

In the circumstances set forth above, when such pilot is assigned by the Company to remain at the layover station, the normal provisions of <u>E.1</u>., <u>F.1</u>. and <u>G</u>. of this Section shall be applicable.

### **D. Line Construction**

- 1. General
  - a. Lines will be built for each monthly bid period using a Preferential Bidding System (PBS). Pilots will be awarded lines based on their seniority given their individual preferences for days off, sequences, recurrent training, layover cities, and other criteria, as applicable.
  - b. The Monthly Average Line Value (MALV) will be determined by the Company for each four-part bid status as follows:
    - (1) For Group I aircraft the MALV will be no less than seventy-two (72) hours nor greater than eighty-eight (88) credited hours in any four-part bid status (Base, Equipment, Category, Division) for any contractual month.
    - (2) For Group II thru V aircraft the MALV will be no less than seventy-two (72) hours nor greater than eighty-four (84) credited hours in any four-part bid status (Base, Equipment, Category, Division) for any contractual month.
    - (3) Basing the MALV on a four-part bid status may be modified by mutual agreement of the parties.
  - c. The Line Construction Window (LCW) will be based on the MALV for each individual bid status. The LCW shall be plus / minus four (4) hours for pilots in Group I, and plus / minus seven (7) hours for pilots in Groups II - V. The LCW may be modified by mutual agreement of the parties.
  - d. The Rolling Average Line Value (RALV) is the average of the most recent twelve (12) contractual month MALVs for a particular bid status. The RALV must be maintained between:
    - (1) For Group I aircraft ...... 74 and 86 credited hours

- (2) For Groups II through V aircraft ...... 74 and 82 credited hours
- e. The Company has the authority to increase the upper limit of the MALV and RALV for bid statuses in Groups II through V by one (1) hour commencing with calendar year 2015 if:
  - (1) Lineholder projection (including any uncredited premium flying and displacement pickup) during the "Measurement Period" (May through August), averages less than the RALV + five (5) hours, the "Measurement", then the MALV and RALV shall be increased by one (1) hour to a maximum 85 MALV and a maximum 83 RALV for the following calendar year. For purposes of the Measurement, the RALV will be calculated for each two-part bid status (Seat and Equipment) in September, looking back over the previous twelve (12) months.
  - (2) For any calendar year in which the MALV and RALV are 85 and 83 respectively, the "Measurement" (including any uncredited premium pickup and displacement pickup) shall be reduced to RALV + four (4) hours for the "Measurement Period". If the Measurement of RALV + four (4) hours is achieved, the MALV and RALV will revert to 84 and 82 respectively and the Measurement of lineholder projection for that year will be RALV + five (5) hours.
  - (3) The data for any bid status in any month of the measurement period in which pick-up was limited by the Company shall be excluded from the calculation in 1. and 2. above.

NOTE: The Measurement Period will commence in 2014 and each year thereafter. The MALV / RALV adjustment, if required, will commence in 2015 and each year thereafter.

- f. Known Planned Absences will be credited for line construction purposes at a Daily Rate of two hours and forty-five minutes (2:45).
- g. A newly upgraded Captain assigned First Officer flying to acquire experience will be given a temporary bid to that First Officer status and will bid for trip sequences according to seniority within that First Officer status. Such pilot will be paid rates of pay according to the current status or the assigned status, whichever is greater.
- 2. Continuing Qualification Training Bidding and Awarding
  - a. Pilots eligible for Continuing Qualification (CQ) training will be identified on the monthly bid sheet.
  - b. CQ training sequences will be available for monthly bidding in the same manner as allocated sequences. CQ training sequences may be awarded in advance of any trip pairings either as a separate process or in conjunction with the trip pairings. In the event an eligible pilot (Grace or Due month) does not bid, such pilot will be assigned a CQ training sequence in the bidding process.
- 3. Line Construction Bidding and Awarding
  - a. Pilots may only select sequences from those available for their individual bid status, or the bid status to which temporarily assigned. Pilots, including pilots on full month temporary assignment, shall be awarded regular or reserve lines in accordance with their system seniority and their individual preferences (PBS).
  - b. The <u>PBS</u> Bid Package for each bid status will be made available to pilots electronically no later than the 8th of the month for the following month. The information shall include the Monthly Average Line Value (MALV), the Line Construction Window (LCW), the bidding deadline, the bid closing and award dates, the projected number of line holders and reserves, the available sequences and the specific pilots eligible to bid.
  - c. Available sequences for bidding may include planned charters, ferries and extra sections.
  - d. The Company will not post sequences that would require a pilot to possess dual qualifications.
  - e. The Company may make changes to published sequences up to twenty-four (24) hours prior to bid closing. Changes after that time, through the end of the line construction process, will be subject to the provisions of <u>Section 15.N</u>.
  - f. A pilot's final bid award shall be available for review in <u>PBS</u>, accessible through the internet, no later than the eighteenth (18th) calendar day of the month prior, except when

unforeseen circumstances prevent such deadline from being met. (Reference to PBS Section for further details)

- g. With the exception of sequences identified and selected by Flight Standards, all known flying will be available for bidding within each bid status. Sequences selected by Flight Standards will be placed in open time if and when it has been determined they will not be required.
- h. Sequences will be awarded / assigned in the <u>PBS</u> line construction process.
- i. Pilots may not access the Trip Trade System during the bidline awarding process (the period of time after bidding is closed when the actual PBS line construction process is active) for trips that originate in the last six (6) calendar days of the current bid period.
- j. Fly through conflicts and FAR illegalities will be prohibited in the line construction process. The JSC (or PBS Committee) will determine appropriate buffers between sequences in order to balance the risk of any illegalities with line construction quality.
- k. A pilot scheduled to complete Qualification Training and OE during any calendar month will be credited for each day in training / OE status at the Daily Rate (2:45 hrs).
- I. A pilot will not be awarded flying during designated OE days.
- m. A line holder who completes OE earlier than the days blocked for OE on his or her schedule may pick up additional sequences or trip trade during that time. A reserve pilot who completes OE earlier than the days blocked for OE on his schedule may be assigned additional reserve days in accordance with <u>4.h</u>. below. When assigning additional reserve days the Company will take into consideration the particular preferences of the pilot when selecting the additional days.
- n. Pilots will be able to access their personal information pertaining to the monthly bidding process electronically. Such information will include, but not be limited to:
  - (1) Fly through time from the current bid period.
  - (2) Known Planned Absences for the upcoming bid period and future bid period.
  - (3) Vacation (vacation slides and vacation trades for vacations in the next succeeding calendar month must be completed prior to the close of bidding for the upcoming bid month).
  - (4) Qualification and Continuing Qualification training days.
  - (5) Operating Experience Status estimated completion date.
  - (6) Other Planned Absences (e.g. military leave, jury duty, union business, Company business, etc.).
  - (7) Additional information as determined by the PBS Committee.
- o. Bid lines will be constructed with a minimum of ten (10) calendar days off, prorated in the event a pilot is available for less than a full month of service. Fractions will be rounded up to the next whole number.

Days of Availability	Calendar Days Off	Days of Availability	Calendar Days Off
31	10	16	6
30	10	15	5
29	10	14	5
28	10	13	5
27	9	12	4
26	9	11	4

25	9	10	4
24	8	9	3
23	8	8	3
22	8	7	3
21	7	6	2
20	7	5	2
19	7	4	2
18	6	3	1
17	6	2	1
		1	1

- p. A pilot may keep a Standing Preference Bid on file to be used when the pilot fails to bid. In the event a pilot fails to bid and does not have a Standing Preference Bid on file, a default bid will be used to assign the bid line.
- q. A First Officer will not be awarded a sequence in the event both the Captain and the First Officer have not met the minimum experience requirements or are both age sixty (60) or older.
- r. A pilot who retires within a bid period will be credited with the Daily Rate for line construction purposes only, for each calendar day beyond his last day of service to the end of the bid month.
- 4. Reserve Lines Bidding and Awarding
  - a. Long Call Reserve Lines
    - (1) Long Call reserve lines will represent, at a minimum, twenty percent (20%) of all reserve lines awarded in a particular four-part bid status for a contractual month.
  - b. Short Call Reserve Lines
    - (1) Short Call reserve lines will represent, at a minimum, thirty percent (30%) of all reserve lines awarded in a particular four-part bid status for a contractual month.
  - c. Monthly Short Call RAP bidding
    - (1) Pilots awarded a Short Call reserve line in the primary monthly bidding process will participate in a secondary bidding process to determine the RAP to be associated with their Short Call reserve line. These RAPs will be awarded/assigned by four-part bid status in seniority order. The awarded/assigned RAPs will be those for the first reserve available day after a Duty Free Period (DFP) or Planned Absence.
    - (2) The Company will publish the available RAPs for bidding for each four-part bid status.
    - (3) Bidding for RAPs will commence no later than the 22<sup>nd</sup> of the month prior and will close no later than 2000 HBT on the 26<sup>th</sup> day of the month.
    - (4) Awards will be made available no later than 1800 HBT on the 27<sup>th</sup> day of the month.
    - (5) No more than thirty-five percent (35%) of Short Call Reserve pilots in any four-part bid status may be awarded/assigned RAPs with start times prior to 0700 HBT.
  - d. Daily reserve requirements will take into consideration blocks of available days required for each day of the month and known planned absences that may affect reserve staffing.

- e. Except as provided for in 15.J.11.b., reserve days off will be awarded in seniority order based on a pilot's Preference Ballot, subject to any staffing requirements determined in a manner consistent with a. above.
- f. Reserve lines will be constructed with eleven (11) immovable calendar days off. In any thirty (30) day calendar month during the contract, one (1) additional moveable day off will be scheduled. In any thirty-one (31) day calendar month during the contract, two (2) additional moveable days off will be scheduled. A moveable DFP will be designated and scheduled contiguous to immovable DFP's and will not be scheduled in the middle of immovable DFP's. Moveable DFPs may be moved in accordance with Section 15.J.
- g. In a full month, unless waived by the pilot, reserve days off will be awarded or assigned with a minimum of one group of four (4) consecutive days off and no less than two (2) consecutive days off in any other group. At a pilot's option, a single day off may be scheduled in a reserve line. A pilot may designate up to three (3) consecutive days off as golden days, or, if/when manning permits, four (4) consecutive days off may be designated as golden days.
- h. In a partial month, (i.e. available less than thirty (30) or thirty-one (31) days, as applicable), the reserve days off requirements in d. above will be reduced accordingly, in a manner consistent with the required reserve days in <u>15.D.4.h</u>.
- i. In a full month, reserve lines will consist of blocks of consecutive days of reserve availability of no less than four (4) and a maximum of twelve (12) days, as determined by the staffing requirements of the Company, except that the minimum number of available days may be reduced to two (2) days at the beginning or end of a contractual month.
- j. In a partial month, the minimum and maximum reserve days of availability in f. above may be reduced as necessary to meet the required number of available reserve days in <u>15.D.4.h</u>.
- k. The number of reserve days will be prorated for any period that is less than a full calendar month in accordance with the following chart:

Days	Reserve	Days	Reserve
<u>Available</u>	<u>Days</u>	Available	<u>Days</u>
1	1	16	10
2	2	17	10
3	2	18	11
4	3	19	12
5	3	20	12
6	4	21	13
7	4	22	14
8	5	23	14
9	5	24	15
10	6	25	16
11	6	26	16
12	7	27	17
13	8	28	17
14	8	29	18
15	9	30	18
		31	18

I

# E. Minimum Pay and Credit

- 1. A pilot who reports for any flight duty period (including deadheading) shall receive the greatest of the following:
  - a. Flight time pay and flight time credit actually earned.
  - b. One (1) minute flight time pay and flight time credit for each two (2) minutes of a scheduled or rescheduled on duty period as set forth in paragraph <u>C.5.d</u> of this Section.
  - c. One (1) minute flight time pay and flight time credit for each two (2) minutes of an actual on duty period as set forth in paragraph <u>C.5.g</u>. of this Section.

The difference between flight time pay and flight time credit earned during such on duty period and the minimum flight time pay and flight time credit provided above shall be computed as an extension of the trip which brings the pilot to a station for an off duty break as set forth in paragraph  $\underline{C.5.d}$ . and  $\underline{C.5.g}$ . of this Section.

A flight which lands at a co-terminal for the airport of departure as the result of a mechanical interruption shall be paid and credited under this paragraph.

- Notwithstanding the provisions of paragraph H.1. of this Section, the provisions of <u>E.1</u>. above shall apply, except that the minimum set forth in paragraph <u>G</u>. of this Section shall be two (2) hours' flight time pay and flight time credit if:
  - a. a pilot performs or reports to perform any flying between co-terminals which is not contained in a regular publication prepared by the Company in conjunction with each reselection of pilot flying assignments, or [See Q&A <u>6-4</u>]
  - b. a pilot performs or reports to perform flying as set forth below, when such flying is confined to a single airport or co-terminals:
    - (1) engine, instrument, plane, and radio test flights,
    - (2) experimental and airway aid test flights,
  - c. a pilot performs or reports to perform flying as set forth below, when such flying is confined to a single airport:
    - (1) charter, contract, or scenic,
    - (2) courtesy or publicity.

When no flying is performed under E.2.a., E.2.b. or E.2.c. above, flight time pay and flight time credit shall be based on the equipment type involved in the assignment for which the pilot was required to report.

- 3. Miscellaneous Taxi
  - a. An aircraft movement which is not part of, and not in conjunction with, a pilot's specific flying assignment shall be termed miscellaneous taxi. Such miscellaneous taxi shall be performed by the required crew complement for the respective aircraft.
  - b. A pilot assigned to a miscellaneous taxi shall be notified of such taxi assignment(s) in the same manner as are pilots who are notified for flying assignments.
  - c. A pilot assigned to miscellaneous taxi will be provided with a written release to operate each taxi so assigned.
  - d. A pilot performing a miscellaneous taxi assignment(s) will be covered, if applicable, for the duration of such taxi assignment(s), under the following provisions of the Basic Agreement:
    - (1) the on duty provisions provided under Section <u>15.C.5</u>.
    - (2) The pay and credit provisions provided under Section(s) <u>15.E.</u>, <u>15.F.</u>, and/or <u>15.G</u>.
    - (3) The reassignment provisions of Section 15.N.
  - e. The provisions of Section 15.H. shall be applicable to any pilot who reports for, but does not perform, a miscellaneous taxi assignment.

- f. Actual taxi time involved in miscellaneous taxi assignment shall be considered as if it were flight time as defined in Section <u>15.C.10</u>. (block-to-block time), but shall not be considered flight time for the application of Section 15.C.8.
- 4. 1:2 Pay For Scheduled Sit Times over 2 Hours

Duty periods with scheduled sit times greater than two (2) hours shall receive one (1) minute of pay for every two (2) minutes of sit time in excess of two (2) hours. This provision applies to scheduled sit-times only (i.e. as allocated), the time is not credited and the pay only applies to the time above the first two (2) hours and will be paid in addition to any other pay earned in accordance with Section 15.E., F. or G.

### F. Time Away From Base

- 1. A pilot who reports for any flight duty (including deadheading) which involves two (2) or more on duty periods broken by at least one (1) off duty period away from such pilot's base, shall receive the greater of the following:
  - a. one (1) minute pay and flight time credit for each three and one-half (3-1/2) minutes of scheduled or rescheduled time away from such pilot's base;
  - b. one (1) minute pay and flight time credit for each three and one- half (3-1/2) minutes of actual time away from such pilot's base.

The difference between flight time pay and flight time credit earned during such period of time away from base and the minimum flight time pay and flight time credit provided above shall be computed as an extension of the trip which brings the pilot back to the pilot's base for legal rest.

2. For purposes of paragraphs <u>F.1</u>. and <u>G</u>. of this Section, on duty periods and off duty periods shall be as set forth in paragraph C.5. of this Section.

### G. Duty Period - Average and Minimum

A pilot who reports for any flight duty (including deadheading) shall receive a minimum of five hours and ten minutes (5:10) flight time pay and flight time credit multiplied by the number of duty periods contained in such pilot's trip sequence, provided however, that a pilot who performs two (2) or more on duty periods broken by at least one (1) off duty period away from such pilot's base shall receive, for each duty period provided in <u>E.1</u>. above, a minimum of three (3) hours flight time pay and flight time credit.

### H. Application of Minimum Flight Time Pay and Flight Time Credit

- 1. The minimum flight time pay and flight time credit provided under <u>E.1.</u>, <u>F.1.</u>, and <u>G</u>. of this Section applies when a lineholder pilot reports for a duty period which begins at such pilot's base but completes no takeoff or does no deadheading, provided a lineholder complies with the applicable provisions of Section 4.C Sequence Protection.
- The minimum flight time pay and flight time credit provided under <u>E.1</u>., <u>F.1</u>., and <u>G</u>. of this Section shall not apply when a reserve pilot reports for a duty period which begins at such pilot's base but completes no takeoff or does no deadheading. In lieu thereof, such reserve pilot shall be guaranteed the greater of:
  - a. Two (2) hours' flight time pay. Pay under this provision shall be on the basis of rates of pay as provided in Section 4.B., or
  - b. One (1) minute flight time pay for each two (2) minutes of an actual on duty period as set forth in paragraph <u>C.5.d</u> of this Section.
- 3. Deadheading covered under the provisions of <u>E.1.</u>, <u>F.1</u>. and <u>G</u>. of this Section shall include:
  - a. all deadheading by Company assignment, except in connection with route checks and training under <u>Section 6.D.;</u>
  - b. deadheading at the pilot's request to pick up the next trip in a sequence when such action does not trigger a double deadhead;

c. deadheading at the pilot's request as set forth in paragraph <u>C.5.f</u>. of this Section. Duty time spent in the accomplishment of such deadheading shall be considered an extension of the pilot's on duty period. [See Q&A <u>15-6</u>]

Except as noted above, deadheading at the pilot's request shall not be covered under the provisions of <u>E.1.</u>, <u>F.1</u>. and <u>G</u>. of this Section.

- 4. For purposes of <u>E.1.b</u>. and <u>F.1.a</u>. of this Section, the rescheduled on duty period shall apply whenever a pilot has been rescheduled as set forth in H.5 below.
- 5. A pilot is considered to be rescheduled any time there is a change or cancellation in such pilot's flying assignment, including deadheading.
- The provisions of <u>E.1</u>. and <u>F.1</u>. of this Section shall not be applicable to excess duty hours or excess time away from base resulting from the pilot's request to be rescheduled to deadhead on a flight other than that for which such pilot is legally scheduled or rescheduled by the Company.
- The provisions of <u>E.1.b</u>., <u>F.1.a</u>., and <u>G</u>. of this Section shall apply, under<u>Sections 5</u>, 6.B., 6.C., 6.D.3. and <u>15.L</u>. of this Agreement, to pilots who hold bid lines.
- Computation of flight time pay and flight time credit applicable under <u>Section 15.N</u>. of this Agreement shall include all flight time pay and flight time credit due under the provisions of Section <u>15.E</u>., <u>15.F</u>. and <u>15.G</u>.
- 9. When a pilot's arrival at such pilot's base or scheduled layover station is by way of surface transportation, the arrival time, for purposes of <u>C.5.a.</u>, <u>E.1</u>, <u>F.1</u> and <u>G</u>. of this Section, shall be considered to be the scheduled departure time of the surface transportation to be used, plus the normal air time and debriefing time.

In this case, an off duty period shall start at the scheduled arrival time of the surface transportation used.

- 10. When a pilot performs or reports to perform flying set forth in <u>E.2.a.</u>, <u>E.2.b.</u> and <u>E.2.c.</u> of this Section, before, during or after an on duty period involving flying not covered under <u>E.2.a.</u>, <u>E.2.b.</u> or <u>E.2.c.</u>, or while on layover involving an off duty break between such on duty periods, such pilot shall receive:
  - a. flight time pay and flight time credit in accordance with <u>E.1.</u>, <u>F.1</u>. or <u>G</u>. of this Section, as applicable, for the on duty periods not involving flying covered under <u>E.2.a.</u>, <u>E.2.b.</u> or <u>E.2.c.</u>, plus,
  - b. one (1) minute flight time pay and flight time credit for each two (2) minutes of actual on duty time for the period involving flying covered under <u>E.2.a.</u>, <u>E.2.b.</u>, or <u>E.2.c.</u>, but not less than the flight time pay and flight time credit actually earned and, in any event, not less than two (2) hours minimum flight time pay and flight time credit.
- 11. If a pilot flies from A to B, and due to the hourly limitation set forth in this Section, must be scheduled to layover and then deadhead from B to A, such pilot may request under Section <u>15.C.5</u>.f. to be permitted to deadhead home in the first duty period, and the Company may, if it chooses, permit such deadheading. However, the pilot shall be paid and credited for the scheduled second duty period in lieu of the extension of the first duty period. [See Q&A <u>15-6</u>]

# I. Premium Pay

- 1. In accordance with <u>Section 15.L</u>., the Company may designate at any time any sequence as a premium pay sequence. Such sequence(s) will pay a premium of fifty percent (50%) over the pilot's base hourly pay rate as specified in Section 3 (total is the base rate plus fifty percent of the base rate), including international override as applicable.
- 2. Premium pay may be applied to an entire sequence, or portion of a sequence, as applicable in the Agreement.
- 3. A sequence picked-up from open time (TTS) which is designated as a premium pay sequence will have the fifty percent (50%) premium applied to all flown hours including any Pay and Credit in the sequence. A pilot pay protected for a premium pay sequence who is assigned replacement flying will be pay protected for the value of a cancelled premium

sequence at the premium rate. In the event the credited time of the replacement flying is greater than the credited value of the cancelled flying, the pilot will be paid for the additional time at the regular hourly rate.

Example: If the credited value of the cancelled sequence is 8 hours, the pilot will be pay protected for 12 hours. If the credited time of the replacement flying is 10 hours, the pilot will be paid an additional 2 hours at the regular hourly rate, for a total of 14 hours.

- 4. A pilot awarded or assigned a premium pay sequence will be pay protected for the scheduled value of the sequence, including the fifty percent (50%) premium.
- 5. A premium pay sequence that is traded to another pilot will have the premium designation removed and such sequence will be paid at the base hourly pay rate.
- 6. Premium pay will not apply in the event a pilot does not operate the premium sequence due to any voluntary action by the pilot, i.e calling in sick, fatigued, drops or trades the sequence to another pilot. Premium pay will apply in the event a pilot does not operate the premium sequence due to Company actions such as a reassignment, displacement, or any other Company-enacted removal. Premium pay will apply to any removal that qualifies for Sequence Protection as described in Section 4.C.
- Recovery obligation replacement flying due to sequence cancellation and reserve assignments will be paid at regular hourly pay rates. Premium pay does not apply to such assignments.
- 8. Premium hours flown in the same month that a pilot uses sick leave will be offset by the number of sick hours charged. Any remaining premium hours after the offset is applied will be paid at the premium rate.

Example: A pilot uses sick leave for a 10 hours during the month. In the same month, the pilot picks up 12 hours of premium sequence(s) (12 hours credit, 18 hours pay). For the purpose of calculating the net premium pay for the month, subtract the total sick hours used from the total premium hours. In this example the pilot's premium pay for the month will be the 12 hours of premium sequence(s) reduced by the 10 sick hours used, leaving 2 hours to be paid at 1.5 X, for a total of 1 hour additional pay (13 hours total pay for the premium sequence(s).

- 9. Premium hours flown will be uncredited towards a pilot's <u>IMAX</u>, but will be applied towards FAR limitations. The pilot's PPROJ will be adjusted to include the fifty percent (50%) premium.
- 10. Reassignment if a pilot is reassigned outside the footprint of the pilot's original sequence, the fifty percent (50%) premium is pay only. The pilot will be credited with the greater of scheduled or what was actually flown. The premium does not apply to any additional credits under <u>15.E.</u>, <u>15.F.</u> or <u>15.G</u> that were generated solely as a result of the reassignment.

# J. Reserve Flying

- 1. Definitions.
  - a. Calendar Day. For the purpose of reserve assignment system, "calendar day" means 0000 2400 Home Base Time (HBT), and may be redefined by mutual agreement.
  - b. Calendar Day Block. For the purpose of assignment to available reserves, open time sequences within any four-part bid-status will be grouped into the following calendar day blocks, which is inclusive of the time spent for sign-in and debrief for each sequence:
    - (1) One (1) calendar day block
    - (2) Two (2) calendar day block
    - (3) Three (3) calendar day block
    - (4) Four-plus (4+) calendar day block
  - c. Domicile Rest. For a Reserve pilot a rest period of 12-hours in duration commencing at the end of debrief following a sequence.
  - d. Long Call Duty. A Reserve duty status in which a Reserve pilot is contactable and available for assignments with a minimum of twelve (12) hours notice prior to sequence sign-in or RAP start time.

- e. Short Call Duty . A Reserve status in which a Reserve pilot is contactable and available for assignments with less than twelve (12) hours notice within the RAP they are currently assigned.
- f. Reserve Group. For the purpose of determining which reserve pilots will be required to cover existing open time in their four-part bid-status, such reserve pilots will be classified by continuous, calendar-day availability, determined as follows:
  - (1) One (1) day reserve
  - (2) Two (2) day reserve
  - (3) Three (3) day reserve
  - (4) Four plus (4+) day reserve
- g. Reserve Classification:
  - (1) Long Call Reserve pilot

A Long Call Reserve pilot is a pilot who was awarded a Long Call line as a part of the monthly line award process. Long Call Reserve pilots can only be assigned sequences or RAPs with a minimum of twelve (12) hours between assignment and sequence sign-in or RAP start time.

(2) Short Call Reserve pilot

A Short Call Reserve pilot is a pilot who was awarded a Short Call line as a part of the monthly line award process. Short Call Reserve pilots are normally assigned sequences within a RAP with less than twelve (12) hours between sequence assignment and sequence sign-in. A short call reserve pilot must be able to promptly report for an awarded or assigned sequence.

- h. Must fly list. For purposes of reserve assignment, must fly means a list of reserve pilots who will be required to fly an open time sequence.
- i. Total Available Hours = (85 hours) (Planned Absence Credit); includes Vacation, Training, Union Leave
- j. Hours Remaining = (Total Available Hours Hours Flown); Hours Flown includes all credited time (Pay and Credit)

 Recent Work Factor - A day worked is any day where flying or training takes place for that pilot. Days recently worked are weighted as follows; where yesterday = 1, day before yesterday = 2, etc.

Days <u>Worked / When</u>	Recent Work Factor
1,2,3,4,5	0.010
1,2,3,4	0.032
1,2,3,5	0.065
1,2,3	0.097
1,2,4,5	0.129
1,2,4	0.161
1,2,5	0.194
1,2	0.226
1,3,4,5	0.258
1,3,4	0.290
1,3,5	0.323
1,3	0.355
1,4,5	0.387
1,4	0.419
1,5	0.452
1	0.484
2,3,4,5	0.516
2,3,4	0.548
2,3	0.613
2,4,5	0.645
2,4	0.677
2,5	0.710
2	0.742
3,4,5	0.774
3,4	0.806
3,5	0.839
3	0.871
4,5	0.903
4	0.935
5	0.968
None	1.000

 Reserve Priority Value (RPV). For purposes of determining which reserve pilots will be selected for assignment, a Reserve Priority Value (RPV) will be calculated for each reserve pilot in the four-part bid-status. The RPV calculation for a pilot will consider the percent of that pilot's credited hours remaining in the month compared to the percent of that pilot's available days remaining in the month and the number and proximity of days worked within the previous (five) 5 days. Specifically, the equation will be:

RPV = ((Hours Remaining) / (Total Available Hours)) / (Available Days Remaining / Total Available Days) \* Recent Days Worked Factor

- m. Verify / Verification. The term "verify" or "verification" means an action performed by the pilot, where required in this Section, whereby the Reserve pilot accesses Company provided information for the purpose of becoming aware of a scheduled sequence, RAP or rest period placed on the pilot's schedule by the Company. Pilots are not required to affirmatively respond to the Company when the verify/verification task is accomplished, however pilots are responsible for the assignment/award.
- n. Contactable. The term "contactable", when used in this Section, means a Reserve pilot being available to the Company for the purpose of communicating scheduling/operational information. These communication methods include, but are not limited to electronic notification (e.g., text or email) or telephone.
- 2. Reserve Notification Process Sequence / RAP / 30-Hour Rest

The following procedures describe the various responsibilities of a Reserve pilot and the Company with regard to awards, assignments, notification and verification.

a. General

To the extent possible, electronic notification and verification will be used for reserve assignments. Absent electronic notification capabilities, Crew Schedule will make first person contact for all assignments outside DOTC unless verified by other means. Awards of preferences must be verified through AVRS, Personal Mode, Crew Schedule or the Internet. In all cases, if a pilot cannot be contacted, Crew Schedule shall leave messages when possible.

- b. On a Duty Free Period (DFP) or Planned Absence
  - (1) A pilot has no requirement to perform any duty on a DFP or Planned Absence.
  - (2) Reserve pilots may voluntarily participate in DOTC for the following day while on a DFP or Planned Absence and verify assignment between 1500-1600 HBT.

Such pilots will end up with one of the following results in DOTC:

- (a) Long Call Reserve pilot Assigned/awarded a sequence for the next day, otherwise remain on Long Call for the next day.
- (b) Short Call Reserve pilot Awarded/assigned a sequence or RAP for the next day (the RAP may be other than awarded on the reserve line).
- c. On a Reserve Available Day
  - (1) On the first reserve available day following DFP or Planned Absence:
    - (a) Long Call Reserve pilots will go on duty at 0001 HBT on first reserve available day.
    - (b) Short Call Reserve pilots will assume the RAP associated with their bid line award on first reserve available day (RAP may be changed by mutual agreement by the pilot and Crew Schedule).
  - (2) Following DOTC.
    - (a) Pilots on Reserve Duty and available for flying the next day will verify awards/ assignments between 1500 and 1600 HBT.
    - (b) Reserve pilots on an FAR rest period during the period between 1500 and 1600 HBT, and available for flying the next day, upon commencement of Reserve Duty will verify any awards/assignments for the next calendar day.

- (c) Absent an award/assignment made during DOTC for the next calendar day, a Short Call Reserve pilot in a RAP will exit that current RAP on Long Call Duty.
- (3) A pilot on a sequence and available for flying the next day:
  - (a) Upon block-in, Reserve pilots shall check their activity record for awards or assignments that are for the period following Domicile Rest.
  - (b) If an assignment (sequence or RAP) has been placed on the pilot's schedule that commences after Domicile Rest the pilot is released from any duty until sign-in of the sequence or RAP start time.
  - (c) If the sequence ended prior to DOTC conclusion (1500 HBT) and no next assignment (sequence or RAP) is on a pilot's schedule, that pilot's next responsibility is to:
    - (i) Verify schedule for DOTC assignment between 1500 1600 HBT for the next day's assignment.
    - (ii) Absent an assignment made during DOTC, the pilot will commence Long Call Duty at the end of Domicile Rest.Pilots will verify assignments made during Domicile Rest upon commencement of Long Call Duty. Such assignments must not sign-in for a sequence, or have a RAP start time, earlier than twelve (12) hours after the end of the pilot's Domicile Rest.
  - (d) If the sequence ended after DOTC conclusion (1500 HBT) and no next assignment is on a pilot's schedule, that pilot will commence Long Call Duty at the end of Domicile Rest. Pilots will verify assignments made during Domicile Rest upon commencement of Long Call Duty. Such assignments must not sign-in for a sequence, or have a RAP start time, earlier than twelve (12) hours after the end of the pilot's Domicile Rest.
  - (e) A Reserve pilot who completes an FDP that signed-in before and operates at least 2 hours into the WOCL (0200 - 0559 HBT) who finds no next activity placed on his/her schedule at the end of that sequence shall not be assigned a RAP starting prior to 0600 HBT time the next calendar day. The earliest sequence such pilot may be assigned shall not sign-in prior to 0800 HBT the next calendar day.
- (4) A pilot completing training without a post-training DFP(s):
  - (a) Shall receive at least ten (10) hours of post-training rest at the completion of a training program (including any required deadhead) prior to resuming Reserve Duty.
  - (b) Upon completion of training or completion of post training deadhead to domicile, Reserve pilots shall check their activity record for awards or assignments that are for the period following post training rest. Such assignments:
    - (i) For a Short Call Reserve pilot must not have a sign-in for a sequence, or have a RAP start time, earlier than ten (10) hours.
    - (ii) For a Long Call Reserve pilot must not have a sign-in for a sequence earlier than twelve (12) hours.
  - (c) If an assignment (sequence or RAP) has been placed on the pilot's schedule that commences after post-training rest, the pilot is released from any duty until sign-in of the sequence or RAP start time.
  - (d) Absent an assignment the pilot will commence Long Call Duty at the end of posttraining rest.
  - (e) Pilots will verify assignments made during post-training rest upon commencement of Long Call Duty. Such assignments must not sign-in for a sequence, or have a RAP start time, earlier than twelve (12) hours after the end of the pilot's posttraining rest.
- (5) During Domicile Rest

A pilot:

- (a) will be contacted for award or assignment while in Domicile Rest. Pilot has no obligation to respond while in Domicile Rest. Crew Schedule will, at the time of any assignment/award, forward a message to the pilot.
- (b) may use the preference ballot to submit preferences.
- (c) if assigned a sequence or RAP while in Domicile Rest, that pilot's next duty commences at sign-in of the sequence or RAP start time.
- (d) electing not to respond when on Domicile Rest will be responsible for any assignments made during Domicile Rest for which a message was forwarded.
- (6) FAR required rest periods:
  - (a) If assigned a 30-hour rest period during reserve available days the Company will notify the pilot via:
    - (i) Positive contact with the pilot during a period where the pilot is on Reserve Duty, for a 30-hour rest period that will commence immediately, or
    - (ii) The verification process during 1500-1600, if applicable, for a rest period beginning at 1600 or later, or
    - (iii) Upon block-in, at the completion of a sequence, in accordance with 15.J.2.c.(3)(a) above.
  - (b) Notification for a 30-hour rest period will include:
    - (i) Commencement time of the 30 hour rest period (not retrospectively)
    - (ii) Duration of the rest period (can be greater than 30 hours)
    - (iii) Assignment or award upon completion of the 30-hour rest period, otherwise the pilot exits the 30-hour rest period on Long Call duty.
  - (c) Pilots on an FAR required rest period during 1500 1600 HBT:
    - (i) Short Call Reserve pilot will have been assigned/awarded, prior to the rest period, a RAP or sequence to commence at the end of required rest period, otherwise the pilot exits the rest period on Long Call Duty.
    - (ii) Long Call Reserve pilots on a rest period during the 1500-1600 period, and available for flying the next day:
      - [1] May use the Preference ballot to submit preferences.

[2] Will not be contacted for proffer, awards or assignments while in a required rest period.

[3] If a pilot is assigned a sequence or RAP, while in a required rest period, that pilot's next duty commences at sign-in of the sequence or RAP start time.

- (iii) Short Call Reserve pilots available for flying after the conclusion of the 30-hour rest period, if given an assignment/award with a sign-in within their follow-on RAP, will be contacted for any awards/assignments within that RAP.
- (iv) Long Call Reserve pilots available for flying after the conclusion of the 30-hour rest period, upon commencement of Reserve Duty, will verify any follow-on awards/assignments.
- d. Sick Clearance for Reserve Pilots
  - (1) Short Call pilots must clear using first person contact with Crew Schedule.
  - (2) Long Call pilots may clear sick via AVRS, other electronic means or first person contact with Crew Schedule.
  - (3) Sick Clearance at or before 1000 HBT
    - (a) A Reserve pilot who clears sick prior to 1000 HBT will not be charged sick for that calendar day.
      - (i) Short Call Reserve pilots clearing sick:

[1] Accept that they have had an FAR required 10-hour rest period

immediately preceding sick clearance.

- [2] Clear sick with the understanding they will be assigned:
  - [2.1] a RAP commencing immediately, or
  - [2.2] a RAP commencing no less than 10-hours after sick clearance, or
  - [2.3] Long Call Duty.
- (ii) Long Call pilots clearing sick commence Long Call Duty.
- (4) Sick Clearance between 1000 and 2359 HBT
  - (a) A Short Call Reserve pilot shall be charged sick for that day unless assigned (by mutual agreement) a RAP commencing immediately upon sick clearance. Absent an immediate RAP assignment the Short Call pilot will:
    - (i) Be assigned a RAP commencing no earlier than 1000 HBT for the following day, or
    - (ii) commence Long Call Duty at 0001 HBT the following day.
  - (b) A Long Call Reserve pilot will be charged sick for that calendar day unless awarded (by mutual agreement):
    - (i) a sequence commencing the same calendar day.
    - (ii) Long Call Duty for the remainder of the calendar day.

If not assigned in accordance with (b) above, a Long Call Reserve pilot will commence Long Call Duty at 0001 the next reserve available day.

- 3. Reserve Assignment.
  - a. General
    - (1) Reserve assignments made during DOTC will be available for verification no later than 1500 HBT.
    - (2) The reserve assignment process optimizes the assignment of reserves by matching a reserve pilot's reserve classification and days of availability with the length of the open sequences, while minimizing late-in, early-out assignment of sequences.
    - (3) Sequences awarded or assigned at least twelve (12) hours in advance of sequence sign-in will be made to Long Call Reserve pilots. Short Call Reserve pilots can be awarded or assigned a sequence more than twelve (12) hours in advance but only in the case where there is no Long Call Reserve pilot available to be assigned such sequence. See c. below.
    - (4) Reserve pilots will be selected for assignment based on a Reserve Priority Value (<u>RPV</u>) as described in J.1.g and J.1.h.. When assigning or awarding open sequences, reserve pilots may use the preference ballot to express preferences. The preferences shall be considered for any award or assignment where seniority is considered.
  - b. Reserve assignment will be made as follows:

The assignment process begins with the one (1) calendar day block. Assign one (1) day reserve pilots to open time sequences in the one (1) calendar day block (i.e., n=1) in accordance with a.(1) through a.(3) below. After completion of assignments of open time sequences in n-calendar day block, proceed to the next block (n+1) and repeat the assignment process for the next block in accordance with a.(1) through a.(3) below. For purposes of assignment, open time sequences include any sequences that were dropped into that block from a prior block.

(1) If the number of n-day reserve pilots exceeds the number of open time sequences in the n-calendar day block, the reserve pilots' <u>RPV</u> scores will determine which reserve pilots will be assigned to the must fly list. A reserve pilot with a higher RPV score will be assigned to the must fly list before one with a lower RPV score. Pilots will be added to the must fly list until the number of pilots on the must fly list matches the number of open time sequences.

- (a) If due to equivalent RPV scores, there are more n-day reserve pilots than needed to cover the open time sequences in the n-calendar day block, such tie will be resolved by allowing the more senior of the reserve pilots on the must fly list who are "tied" to opt-out of flying any of the open time sequences (based on individual preferences, and in seniority order), provided doing so does not prevent coverage for all open sequences in that block.
- (b) Reserve pilots on the must fly list are assigned by order of seniority, with the most senior reserve pilot, who will be assigned an open time sequence based on preference, but only to the extent doing so does not prevent coverage of all open time sequences in the block using the reserve pilots on the list.
- (c) If not all reserve pilots on the must fly list have indicated preferences for open time sequences, then assign remaining open time sequences on a first-in, first-out basis, but only to the extent doing so does not prevent coverage of all remaining open time sequences in the block.
- (d) In the event not all pilots are legal and qualified for all sequences, trips may be assigned out of seniority order only to the extent that the maximum number of open time sequences is covered.
- (2) If the number of n-day reserve pilots is equal to the number of open time sequences in that block, and all open time sequences can be covered by those pilots, each pilot will be added to the must fly list.
  - (a) Reserve pilots on the must fly list are assigned to open time sequences by order of seniority, with the most senior reserve pilot, who will be assigned an open time sequence based on preference, but only to the extent doing so does not prevent coverage of the maximum number of open time sequences in the block using the reserve pilots on the list.
  - (b) If not all reserve pilots on the must fly list have indicated preferences for open time sequences, then assign remaining open time sequences on a first-in, first-out basis, but only to the extent doing so does not prevent coverage of the maximum number of open time sequences in the block.
- (3) If the number of open time sequences in the n-calendar day block exceeds the number of n-day reserve pilots available, then each pilot will be added to the must fly list.
  - (a) Reserve pilots on the must fly list are assigned by order of seniority, with the most senior reserve pilot, who will be assigned an open time sequence based on preference, but only to the extent doing so does not prevent coverage of the maximum number of open time sequences in the block using the reserve pilots on the list.
  - (b) If not all reserve pilots on the must fly list have indicated preferences for open time sequences, then assign remaining open time sequences on a first-in, first-out basis, but only to the extent that the maximum number of open time sequences is covered.
  - (c) In the event not all pilots are legal and qualified for all sequences, trips may be assigned out of seniority order only to the extent that the maximum number of open time sequences is covered.
  - (d) In the event open time sequences from a prior block (or blocks) have been dropped into this block, and there are not enough reserve pilots in this block to cover all open time sequences due to the inclusion of the dropped open time sequences, then (1) those dropped open time sequences from the prior block(s) will be assigned only to the extent doing so does not prevent coverage of the maximum number of original open time sequences in this block; and (2) in the event the dropped open sequences are from more than one prior block, then the dropped open sequences will be assigned in the order of the block with the highest calendar days to the block with the lowest calendar days to the extent possible. All remaining uncovered open time sequences will be dropped to the next block.

- (e) All uncovered open time sequence(s) from this block are dropped to the next block (n+1). (For example, if there are not enough 2-day reserve pilots to cover all open day sequences in the 2-calendar day block, those uncovered open time sequences are dropped to the 3-day calendar block.)
- c. The reserve assignment process for a four-part bid-status is not complete until all blocks have been processed. In the event open time sequences still remain, Crew Schedule may:
  - (1) re-run the reserve assignment process with a modified set of open time sequences in combination with earlier steps in the open time coverage process, or
  - (2) resolve the remaining open time sequences utilizing Short Call Reserve pilots via the steps described in b.(1) through b.(3) above.
- d. The assigned reserve pilots will be notified pursuant to <u>Section 15.J.2.a</u>. above, once Crew Schedule has completed and accepted the open time solution for the four-part bidstatus.
- e. Reserve Availability Periods (RAPs) will be assigned at the completion of the reserve assignment process, honoring preferences and seniority to the extent possible, and in accordance with the FAR limitations on reserve rest.
- f. Reserve pilots in their last day of reserve availability prior to a DFP or planned absence will not have a RAP assigned that commences after 1000 HBT. Reserve pilots may, however, be awarded a RAP commencing after 1000 HBT.
- g. A Short Call Reserve pilot who is not assigned a RAP defaults to Long Call Duty for the purpose of being assigned a RAP with 12 hours notice.
- 4. Long Call to Short Call Duty Conversion
  - a. The Company may convert a Long Call Reserve pilot to Short Call Duty with the following provisions:
    - (1) Each conversion shall be for a single RAP.
    - (2) All conversions require, at a minimum, 12 hours notice prior to commencement of a RAP.
      - (a) Pilots converted to a RAP during DOTC will remain on Long Call Duty until twelve (12) hours prior to the commencement of the RAP.
      - (b) Pilots converted to Short Call Duty outside of DOTC are released until the commencement of the RAP.
    - (3) Long Call Reserve pilots converted to Short Call Duty during DOTC (1000 1500 HBT) will be awarded/assigned a RAP commencing no earlier than 0300 HBT the next day.
    - (4) Long Call Reserve pilots may use their Reserve Preference Ballot (RPB) (or future equivalent) to preference for Short Call Duty conversion award.
    - (5) The Company may award / assign Long Call Reserve to Short Call Duty conversions considering the pilot's Reserve Group (days of availability).
      - (a) Long Call Reserve to Short Call Duty award will be made by Reserve Group using seniority order.
      - (b) Long Call Reserve to Short Call Duty assignment will be made by Reserve Group in inverse seniority order.
    - (6) A Long Call Reserve pilot may be assigned to Short Call Duty no more than five (5) times per contractual month. There is no limit to the number of times a Long Call Reserve pilot may be awarded Short Call Duty.
    - (7) Each time that a Long Call Reserve pilot is converted to Short Call Duty will generate thirty (30) minutes of pay, no credit, to be paid above the greater of guarantee or PPROJ for each RAP assigned/awarded. (see Q&A<u>15-4</u>, <u>15-34</u>, <u>15-35</u>)

- 5. A reserve pilot may be assigned reserve flying up to eighty-five (85) hours (PROJ). Voluntary flying on days off is excluded in the assignment maximum, unless approved in advance by the Company (see Section <u>15.C.4.a. & b.</u>).
- 6. Release of Reserve Pilots upon Assignment

- except as provided for in <u>Section 4.C.5</u> the following will apply:

- a. Pilots awarded trips that originate during their current RAP shall be released until sign-in.
- b. A Reserve pilot in a RAP, who is awarded/assigned a sequence that commences more than 12 hours in the future, shall remain on call in the current RAP until the end of the current RAP, but not later than 12 hours prior to sign in for the awarded/assigned sequence. If a Short Call Reserve pilot was assigned a RAP for the next day and was subsequently assigned a sequence (with at least 12 hours notice), that pilot's next duty day commences upon sign-in of the sequence. Any pre-existing RAP is removed for that next day.
- c. A Long Call Reserve pilot awarded/assigned a trip sequence shall remain on call until 12 hours prior to sign-in.
- d. The following procedures shall apply when a Short Call pilot is subsequently assigned a trip originating in the current RAP after being assigned a trip outside the current RAP:
  - (1) The pilot shall only be assigned/awarded a subsequent trip sequence if the pilot is the only pilot that is qualified, legal and available.
  - (2) A pilot who is legal to fly both trips shall fly both trips and receive pay and credit for both trips.
  - (3) If the assignment makes the pilot illegal for the previously assigned trip, the trip shall be returned to open time and filled in accordance with the procedures for filling of open time contained in Section <u>15.L</u> of the Basic Agreement.
- 7. Release from Current RAP

Pilots shall be automatically released from any responsibility for duty in the current RAP after 12 hours unless released earlier in accordance with <u>Section 15.C.5.a(6)(d)</u> above. (If on last Reserve available day see below.) Pilots shall remain contactable until the end of the RAP. If not already otherwise assigned, the pilot shall revert to long call at the end of the RAP and remain contactable.

- 8. Release of Reserve Pilots preceding any DFP or other Planned Absence
  - a. Pilots on Short Call Duty in their last day of reserve availability, who have not been assigned a sequence in that RAP will be automatically released from any responsibility for further duty in the current RAP six (6) hours after commencement of the RAP.
  - b. Pilots on Long Call Duty in their last day of reserve availability, who have not been assigned a sequence by 1000 HBT will be automatically released from any responsibility for further duty at 1000 HBT.
- 9. Reserve Flying on Days Off
  - a. Reserve pilots may elect to fly on days off at Company option. Reference Section 15.C.4.a & b. for limitations.
- 10. Reserve Proficiency Flying
  - a. A reserve pilot, in order to maintain proficiency, may request additional flying hours not available through the normal processing of open time. Local Flight Management, in coordination with Crew Schedule, may approve such a request and arrange such flying on a displacement basis. [See Q&A <u>6-2</u>]
  - b. Should such request be approved, the displaced pilot will be relieved of scheduled flying in accordance with the procedures set forth in <u>Section 6.D.3.</u>
  - c. For the purpose of assigning reserve flying, credit time involved in such displacement flying will not be made part of the pilot's Reserve Priority Value (<u>RPV</u>) for determining a low on time assignment as provided for in Section 15.J.2 above and <u>15.L</u> (Filling of Open Time).

- 11. Reserve Duty Free Periods
  - a. Duty Free Periods (DFPs) for reserve pilots shall be scheduled to run from midnight to midnight.
  - b. Must Have DFPs for Reserve pilots are golden DFPs awarded during the monthly Line Construction process. Each pilot may designate, during the monthly bidding process, Must Have DFPs.Must Have DFPs are subject to the following requirements and conditions:
    - (1) No more than four (4) Must Have DFPs may be awarded to a pilot per calendar year.
    - (2) Must Have DFPs may be split any way the pilot chooses (four individual days, all 4 together, 2/1/1, 2/2, etc.).
    - (3) Must Have DFPs may not be awarded which create illegalities.
    - (4) Must Have DFP awards may not reduce the number of Reserve pilots available on a particular day, in a given bid status, below the Company-designated minimum number of Reserve pilots required.
    - (5) Except to meet the requirements of (4) above, Must Have Days are awarded without regard to seniority.
    - (6) Must Have DFPs are included in the Reserve pilot's normal monthly DFPs as specified in 15.D.4.f.
    - (7) This functionality may not be in the first release of PBS.
    - (8) Must Have DFPs may not be awarded on the following "blackout" dates:
      - (a) Dec 31 2 January
      - (b) Friday Monday of Super Bowl Weekend
      - (c) Thurs Monday of Easter Weekend
      - (d) July 3 5
      - (e) Tues Monday of Thanksgiving Week
      - (f) December 24 26
      - (g) Sat Tues of Federal Holiday Weekends
  - c. By mutual agreement between the reserve pilot and the Company, DFPs may be moved in any combination.
  - d. By mutual agreement between the reserve pilot and the Company, a reserve pilot may be scheduled to fly beyond noon (1200) HBT of the first day of a DFP.
  - e. By mutual agreement between the reserve pilot and the Company, a reserve pilot may move a scheduled DFP to a later date if the flying to be done is after noon (1200) HBT on the first day of such DFP.
  - f. Except for a golden DFP, the Company may require a pilot to change a scheduled DFP to a later date, but only if that pilot is scheduled to fly a sequence that is scheduled to terminate at the pilot's base no later than noon (1200) HBT on the first day of the DFP involved in accordance with Section <u>15.L</u>.4.f. This provision may be exercised by the Company no more than two (2) times during each contractual month for a reserve pilot. (Q&A #'s 66, 114, 120)
  - g. A pilot's scheduled DFP may not be changed retroactively, except that a pilot may drop a DFP that has already commenced.
  - A reserve pilot who is assigned flying into a DFP shall take the required off duty break and then commence a DFP equal to the number of days of the interrupted DFP. (Q&A <u>15-</u> <u>17</u>)
  - i. A pilot who is temporarily assigned to a base other than the pilot's domicile for purposes other than training will be entitled to scheduled DFPs in accordance with Section 15.D.4., except that such scheduled DFPs as are normal to the trip selection or reserve flying assignment to which such pilot is assigned will be taken at the base of temporary assignment. When such temporary assignment is for more than one (1) trip or trip

sequence but less than a full month, the DFPs will be those in the reserve flying assignment which was awarded the pilot at that pilot's base. Such pilot shall be given priority pass privileges to the pilot's base, or the American Airlines station closest to the pilot's residence, to be used at the pilot's option during any scheduled DFP for two (2) days or more taken at the base of temporary assignment.

- j. Golden DFP. A golden DFP is one during which a reserve pilot will not be involuntarily scheduled for flight assignment, company business or training. A golden DFP may be moved only with the consent of the reserve pilot. (Q&A #54)
- k. Moveable DFP. The Company may move a reserve pilot's movable DFP(s) during a contractual month under the following conditions:
  - (1) A reserve pilot shall be given notice at least twelve (12) hours prior to the start of the DFP.
  - (2) Once a DFP has begun, no moveable DFP may be appended to or removed from such DFP grouping.
  - (3) A reserve pilot shall be given notice no later than 1000 HBT if the movement of a movable DFP(s) will change that pilot's days of availability.
  - (4) If a sequence becomes available after 1000 HBT and there is no pilot available for that sequence, the Company may move a reserve pilot's movable DFP(s) in order for such pilot to fly the sequence, provided the movement of such DFP is in compliance with (1) and (2) above.
  - (5) Each movable DFP may only be moved once during a contractual month.
  - (6) A movable DFP must be placed contiguous to another DFP, and not in the middle of a sequence or during a planned absence. However, the Company may, if necessary, create only one (1) stand-alone DFP in any contractual month by the movement of a movable DFP for a reserve pilot where:
    - (a) The movable DFP was in a DFP grouping of at least three (3) days, in which case the moveable DFP may stand alone; or
    - (b) The moveable DFP was moved from being contiguous with an immovable DFP to an existing DFP, in which case the immovable DFP from the original grouping may stand alone.

#### 12. DFP Trades.

- a. A reserve pilot may trade with another pilot an equal number of DFPs under the following conditions:
- b. Movable DFPs may not be traded.
- c. Scheduled DFPs may not be traded into or out of any planned absences, or immediately before or after a movable DFP.
- d. A multiple pilot trade that includes more than two (2) pilots is not allowed. A trade that inhibits the Company's ability to maintain a pilot's qualifications is not allowed.
- e. The trade must not result in, for either pilot, a period of seven (7) or more consecutive reserve available days, or less than four (4) consecutive reserve available days, exclusive of planned absences.
- f. The trade must be submitted to the Company as soon as possible but no later than three (3) days prior to the first day of the traded DFP.
- g. The Company will process those trades timely submitted as soon as practicable, but no later than the earlier of five (5) calendar days after submission of the trade or twenty-four (24) hours prior to the first day of the traded DFPs.

### K. Fatigue Events

- 1. General
  - a. This Section K applies to all pilots. Pilots should not commence or continue any flight segment they anticipate being unable to safely complete due to fatigue. Pilots removed

for fatigue shall be removed with a designated fatigue removal code. A pilot's decision to declare fatigue shall be accepted by the Company and the pilot will advise Crew Schedule / Tracking with the time of subsequent availability following rest.

- b. The Company and the Association agree to jointly monitor the use of fatigue through the Fatigue Risk Management System (FRMS), in a cooperative effort of the Fatigue Risk Management Department, Chief Pilots and the Association's Professional Standards and Flight Time / Duty Time Committees. In the event a review indicates a suspected misuse or abuse, nothing in this Section K. shall abrogate the rights of either party pursuant to the Basic Agreement.
- c. The Company shall provide a reasonable amount of Company paid Union Leave to pilots directly involved in the FRMS, as determined by the Managing Director, Corporate Safety or designee.
- 2. Definitions and Functions
  - a. Fatigue Risk Analysis Team (FRAT):

The FRAT shall be comprised of AA FRMS Staff. The FRAT will be supplemented by a member of the APA Flight Time / Duty Time Committee. All FRAT members will be provided the appropriate fatigue training by the Company. The routine day to day functions of the FRAT will be handled by the FRMS Staff, with periodic assistance from the APA representative in a collaborative and advisory capacity.

b. Fatigue Event Review Team (FERT):

The FERT shall consist of the Chief Pilot, Line Operations, the Senior Manager, FRMS and the Association Flight Time / Duty Time Chairman or other representative designated by the Association. All members of the FERT will be provided the appropriate, and mutually agreed upon, fatigue training by the Company. The FERT will review deidentified pilot fatigue occurrences referred by the FRAT, for either further action by APA Professional Standards Committee or referral outside the Professional Standards process for an independent review. The FERT will make every attempt to reach a consensus. If a consensus cannot be reached, then the Chief Pilot of Line Operations or his designee will have the final decision on any reviews affecting pay and /or any event the FERT determines involves apparent misuse of the policy.

c. Fatigue Review Committee (FRC):

The FRC consists of fatigue stakeholders from both the Company and the APA who meet monthly to review summary reports, trends and recommendations provided by the FRAT. The FRC reviews systemic or operational causes of fatigue and oversees implementation of corrective measures. The FRC follows up with relevant departments and ensures compliance with previously requested corrective measures and elevates risk items as required through the Safety Management System (SMS).

d. Memorandum of Understanding (MOU):

The Company and the Association shall define details of the FRMS program and Association participation as well as the Fatigue Removal Event review process in an MOU.

- 3. Pilots shall be paid for time lost due to a fatigue subject to the following procedures:
  - a. Any removal from duty or availability due to fatigue shall be termed a Fatigue Removal Event (FRE).
  - b. Pilots are required to file a Fatigue Report for any FRE within 48 hours of the event or, if mid-sequence, 48 hours of return to base, providing details relevant to the fatigue call.
  - c. All FREs for lineholders and reserve pilots shall be reviewed by the Fatigue Risk Analysis Team (FRAT) for appropriate use of the fatigue policy, including the length of the rest period requested by the pilot.
  - d. The FERT shall review Fatigue Removal Events involving possible inappropriate use of the fatigue policy as determined by the Fatigue Review Analysis Team (FRAT).

- e. Lineholders shall be pay protected for the value of their sequence at the time a fatigue event occurs. Pay will be the greater of the original sequence value or what the pilot actually flies.
- f. Pilots shall not be pay protected for any additional flying assigned (not part of the pilot's sequence) when declaring fatigue at the time of such assignment.
- g. PROJ shall be reduced by the amount of any time lost as the result of a fatigue event.
- h. When a fatigue event is the result of a non-operational matter beyond the control of the pilot or is of a personal nature, the pilot should contact their Chief Pilot or the Chief Pilot on Duty for an EO.
- i. Any decision affecting pay following a review based on the procedures herein shall be the decision of the Base Chief Pilot.
- 4. Reserve Pilots On Call
  - a. When a reserve pilot declines a flight or reserve assignment due to fatigue, the pilot shall advise Crew Schedule and include an estimated time that he/she will be sufficiently rested and available for duty. At that time, the reserve pilot may be placed on a RAP subsequent to the established available time.
  - b. Crew Schedule shall not contact the pilot for any subsequent assignments until after the estimated clear time. Crew Schedule may assign the pilot to any RAP or sequence for which the pilot is legal, following the normal process for the filling of open time, once the pilot has provided notification that he/she is available for duty.
  - c. At the time of the fatigue call, a reserve pilot's guarantee will not be reduced.
- 5. All Pilots Mid-Sequence Fatigue
  - a. Pilots who have commenced (signed in for) a sequence and who determine that they cannot safely continue due to fatigue shall advise Crew Tracking. Once advised, Crew Tracking shall, if not releasing the pilot at home base, choose one of the following four options under which the pilot may be rescheduled:
    - (1) Deadhead the pilot to base in the same duty period, if legal, or, when not legal, if it is mutually agreeable in keeping with current procedures.
    - (2) Deadhead the pilot to base following the completion of a rest period.
    - (3) Following rest, assign the pilot to any portion of the original sequence.
    - (4) Following rest, assign the pilot to any other flying within the footprint of the original sequence (return to home base by the scheduled end of the original sequence). This in no way prohibits Crew Tracking from reassigning a pilot following the rest period
  - b. Any assignment other than the above four options shall be considered a reassignment.
  - c. The rescheduling of a pilot to any one of the four options above is at the discretion of Crew Tracking. However, reasonable consideration will be given to rescheduling a pilot back on their original sequence if practical, or, to equivalent flying within the footprint of the original sequence.
  - d. An election by Crew Tracking to deadhead a pilot back to base in the same duty period (option (1) above) must be made at the time the pilot declares fatigue. If Crew Tracking does not elect option (1) at the time the pilot declares fatigue, it must decide on one of the other three (3) options by the end of the pilot's rest period.
  - e. The pilot shall not be contacted during the rest period except for delay or cancellation information.
  - f. The rest period following a fatigue call shall be ten (10) hours, and may be increased beyond ten (10) hours at the Company's option or if the pilot requests more time to obtain sufficient rest. In the event the pilot requests additional rest beyond ten (10) hours and is subsequently deadheaded to home base at the completion of the rest period, the calculation for compensation and expense purposes shall be based on the first available deadhead following a ten (10) hour rest period.

- 6. All Pilots Fatigue Prior to Sign-in for a Scheduled Sequence
  - a. Pilots who have not signed in for a scheduled sequence and who anticipate being unable to safely operate due to fatigue must advise Crew Schedule. The pilot shall be removed from the initial flight segment for Fatigue.
  - b. If, in the pilot's judgment, such fatigue is the result of a non-operational event beyond the control of the pilot or is of a personal nature, the pilot should contact the Chief Pilot on Duty for an EO.
  - c. Subsequent availability shall be based upon the time that is needed to obtain adequate rest, which shall be provided by the pilot at the time of the fatigue call. Following rest, the pilot may be assigned to:
    - (1) Any portion of the original sequence for regularly scheduled pilots.
    - (2) Any other flying within the footprint of the original sequence (return to home base by the scheduled end of the original sequence) for regularly scheduled pilots.
  - d. Any assignment beyond the end of the original sequence footprint other than the first available flight to base shall be considered a reassignment for regularly scheduled pilots.
  - e. Reserve pilots shall be handled as described in paragraphs 4. and 9. of this Section 15.K.
- 7. Any replacement flying assigned that extends beyond the footprint of the original sequence (or sequence at the time of the fatigue event if different) shall be handled as a reassignment and paid according to the reassignment provisions.
- 8. Sequence protection provisions shall apply when the scheduling of any assignment other than the original sequence as in 4. above results in a contractual or FAR illegality for any subsequent sequence on a pilot's schedule at the time of the assignment.
- 9. A reserve pilot who calls in fatigued after sign in but prior to departure on the first leg of a sequence shall be paid based on the time spent on duty prior to the fatigue call. Such event and resultant pay is subject to review within the FRMS and Fatigue Policy as outlined above.
- 10. When a pilot declares fatigue:
  - a. The identifying information in the report shall remain confidential and available only to the FRAT unless indicated otherwise by the pilot. When unusual circumstances or information contained in the Fatigue Report indicate cause for immediate concern, such situation may be discussed between the FRMS Manager and the APA FERT member to establish an agreed course of action.
  - b. Fatigue Reports and Information Slips will be forwarded to the FRAT for analysis of the fatigue event. The FRAT will classify each event depending on the likelihood of fatigue and fatigue risk, store the information in the fatigue database and recommend follow up action as appropriate to the FRC or FERT.
  - c. The Fatigue Removal Event (FRE) procedures and subsequent reviews will be governed by the process outlined herein and in the FRMS MOU.

### L. Filling of Open Time

- 1. The Company may at its option identify and award any sequence at any time in the process as one that pays premium pay.
- The Filling of Open Time shall be handled as much as practical via an automated process (e.g. TTS, preference ballot, text messaging for Aggressive Pick-Up) to award open sequences.
- 3. Filling of Open Time Basic Rules
  - a. 08:00 home base time (HBT) sick removals and sequences placed into open time.
  - b. 10:00 HBT Begin Filling of Open Time for any open flying for the next day.
  - c. A pilot must be qualified, legal and available (QLA) to be awarded / assigned open time.

- d. Unless a Reserve pilot is the only QLA pilot, Reserve pilots awarded/assigned FDPs will be buffered with thirty (30) minutes from FAR 117 FDP limitations measured from the beginning of a pilot's scheduled RAP if on Short Call Duty, or from the sequence sign-in if on Long Call Duty. This provision may be waived with pilot consent.
- e. To the extent possible the Filling of Open Time should be completed no later than 1500 HBT however, the intent is to complete DOTC by 1300 HBT, or earlier. In accordance with Section 15.J.2, reserve assignments made during DOTC will be available for verification no later than 1500 HBT

Note: The times in 3.a., b., and d. may be modified by mutual agreement between the Company and the JSC.

- 4. Filling of Open Time Order
  - a. Sequence Protection Recovery pilots in accordance with the provisions of Section 4.C.4.
  - b. Aggressive Pick-up Within three (3) hours of scheduled or rescheduled departure Aggressive Pick-up is open on a first-come, first-served basis via a mutually agreed upon process for in base and out of base pilots, including at Company option, reserve pilots on DFPs. DFP will not be replaced. Aggressive Pick-up pilots are required to make an on time departure.
    - (1) If unable to make scheduled sign in, pilot must advise Crew Schedule of an expected sign in time that is consistent with an on time departure. In the event the pilot is unable to make an on time departure, the Company has the option to replace the Aggressive Pick-up pilot, in which case the pilot will be handled in accordance with the Commuter Policy.
  - c. Pick-up in Base
    - (1) Regular Pick-up, in Division, including, at Company option, eligible reserve pilots volunteering to fly on, into or out of a DFP. DFP will not be replaced.
    - (2) Regular Pick-up, opposite Division, including, at Company option, eligible reserve pilots volunteering to fly on, into or out of a DFP. DFP will not be replaced. [See Q&A\_ <u>15-33</u>]
    - (3) At Company Option: Pick-up with conflict, in Division first, then in the opposite Division.
    - (4) At Company Option: Greater of Pick-up with conflict, in Division first, then in the opposite Division.
  - d. Pick-up out of Base
    - (1) Regular Pick-up, in Division, including, at Company option, eligible reserve pilots volunteering to fly on, into or out of a DFP. DFP will not be replaced.
    - (2) Regular Pick-up, opposite Division, including, at Company option, eligible reserve pilots volunteering to fly on, into or out of a DFP. DFP will not be replaced.
    - (3) At Company Option: Pick-up with conflict, in Division first, then in the opposite Division.
    - (4) At Company Option: Greater of Pick-up with conflict, in Division first, then in the opposite Division.
    - (5) Pay, credit and legalities in (1) through (4) above apply as if flown by in base pilot.
  - e. At Company option, Crew Schedule may split or transfer sequences and/or reallocate flight legs and commence again, following steps a. through d. above.
  - f. Reserve Assignment/Award
    - (1) Long Call Reserve Pilots

Sequences awarded or assigned at least twelve (12) hours in advance of sequence sign-in will be made to Long Call Reserve pilots except as provided for in (b) below.

(a) The Company shall select, at its option, one or more of the following categories in

 (i) through (vi) below. The pilots in the selected categories will be considered in a
 single pool for the purposes of this Section <u>15.L</u>.4.f. From this single pool of

pilots, reserve assignments/awards will be prioritized in the following order: Block, <u>RPV</u> and Seniority in accordance with Section 15.J.3.

- (i) In Division, assign to a reserve without a DFP conflict.
- (ii) In opposite Division, award to a reserve without a DFP conflict.
- (iii) In opposite Division, assign to a reserve without a DFP conflict. If an International Division reserve is assigned to a sequence in the Domestic Division, International override will be paid for that sequence.
- (iv) In Division, assign to a reserve flying into a DFP (up to 1200 HBT).
- (b) Short Call Reserve pilots may be awarded or assigned a sequence more than twelve (12) hours in advance as follows:
  - (i) If there is no Long Call Reserve pilot available to be assigned such sequence.
  - (ii) In such case the Short Call Reserve pilot(s) will be selected based on RPV and shall be included in the single pool described in Section 15.L.4.f.(1).(a).
- (2) Sequences with less than 12 hours until sign-in will be awarded/assigned to pilots on Short Call Duty.
  - (a) The Company shall select, at its option, one or more of the following categories in (i) through (vi) below. The pilots in the selected categories will be considered in a single pool for the purposes of this Section 15.L.4.f.(2).(a). From this single pool of pilots, reserve assignments/awards will be prioritized in the following order: Block, RPV and Seniority in accordance with Section 15.J.3.
    - (i) In Division, assign to a reserve without a DFP conflict.
    - (ii) In opposite Division, award to a reserve without a DFP conflict.
    - (iii) In opposite Division, assign to a reserve without a DFP conflict. If an International reserve is assigned to a sequence in the Domestic Division, International override will be paid for that sequence.
    - (iv) In Division, assign to a reserve flying into a DFP (up to 1200 HBT).

NOTE: Prior to proceeding to steps (g) through (i) below, all remaining open time must have been offered as premium flying in steps (b) through (d).

- g. Company option to use a CKA, Flight Test or Management pilot.
- h. Inverse Assign (reserve pilot) in Division, then in opposite Division (premium pay (and flight time credit) paid above guarantee for flying on days off or premium pay with conflict for flying that conflicts with next month sequence, whichever is applicable).
- 5. Inverse Assign (regular pilot) in Division, then in opposite Division (premium pay, or premium pay with conflict, whichever is applicable).
- 6. At Company option, the filling of open time processes in 4. above may be bypassed to permit a qualified and legal pilot, who is in position, to be awarded an open time segment(s). Such pilot will be paid, but not credited for the greater of scheduled or actual for the segment(s) actually flown. When the company avails itself of this option, a sequence must be created which would have otherwise resolved the open segment(s) and be awarded, or assigned, to a pilot via the processes of 4. above. The pilot who is awarded, or assigned, such created sequence shall be displaced from such sequence and will be paid and credited for the value of the created sequence.
- 7. General rules to be followed for the coverage of open time shall include, but not be limited to, the following:
  - a. Pilots awarded or assigned open time must be qualified, legal and available in respect to all limitations required by the FAA and by this Agreement. However, in accordance with Section 5.I., scheduled flying, not actually performed, for which flight time credit is applied, shall have no effect on pilots' legality for other flying. [See Q&A #9, #13, <u>15-2</u>]
  - b. In accordance with Section <u>15.L</u>.4., a pilot may volunteer for pick-up flying in Division, or in the opposite Division up to that individual pilot's <u>IMAX</u> or the Company designated pick-

up maximum for that pilot's particular bid status (whichever is lower). This calculation is measured against the pilot's projection (PROJ). [See Q&A #117]

- c. Pilots may not pick up open time that would create a conflict with any sequence in their monthly schedule unless such transaction is permitted by the TTS or Crew Schedule.
- d. Lineholders may move a duty free period, if such movement is accomplished prior to the start of such duty free period. Furthermore, a lineholder may voluntarily drop any duty free period during the course of a contractual month including a duty free period that has already commenced. [See Q&A <u>15-31</u>]
- e. Pilots who desire open flying time are restricted to the category in which they are serving at that time (e.g., captain not allowed to make up as a first officer).
- f. Pilots who desire to pick-up open flying time must make proper notification via the mechanisms provided. (e.g. a TTS preference ballot, or other established means.)
- 8. Crew Schedule Errors
  - a. If a lineholder is inadvertently bypassed for pick-up flying, the pilot will be protected for the original scheduled value of the bypassed sequence, provided the pilot promptly notifies the Company and is available for replacement flying in accordance with the Sequence Protection recovery obligations found in Section 4.C.
  - b. If a reserve pilot is assigned a trip sequence of lesser value than one which should have been assigned as a result of a seniority based preference (within the reserve assignment process), the difference in the credited value of the two trip sequences will be immediately added to the pilot's PROJ. At the end of the month, the difference in the pay value of the two trip sequences will be added to the reserve pilot's pay projection (PPROJ).

### M. Temporary Assignment/Temporary Duty

- 1. Full Month Temporary Assignment Within a Base
  - a. If there is a temporary shortage of pilots in a bid status, the Company may create a temporary vacancy and make it available only to those currently qualified and available pilots in the opposite division in the same category, equipment and base.
  - b. Such temporary vacancy may only be bid by pilots in the opposite division in the same category, equipment and base, and the vacancy shall be awarded to the senior such bidder who is currently qualified and available to fill the vacancy.
  - c. In the event such temporary vacancy is not filled by the voluntary selection of a currently qualified and available pilot in the opposite division in the same category, equipment and base, such vacancy shall be filled by the assignment, in reverse order of system seniority, of a currently qualified and available pilot in such bid status. A pilot so assigned will be pay protected on the trip selection that the pilot could have held.
  - d. A pilot assigned in accordance with c. above who does not reside at the base shall receive the following:
    - (1) Priority transportation between the base and the American Airlines station nearest the pilot's residence.
    - (2) Expenses in accordance with <u>Section 7.B.2</u>. of the Basic Agreement during the assignment, except that the payment of such expenses will commence with the pilot's first flying assignment or day of reserve availability/make-up and continue through the pilot's last flying assignment or day of reserve availability/make-up. However, any time a pilot elects to leave the base while not assigned to fly or be available as a reserve shall not be compensable.
    - (3) A hotel room at Company expense during the assignment within the following parameters:
      - (a) A pilot holding a reserve selection will be eligible for a hotel room beginning the night before the pilot's first day of reserve availability and continuing through the pilot's last day of availability.

- (b) A pilot holding a regular trip selection will be eligible for a hotel room the night before and after a flying assignment and during any duty free periods and days off during which the pilot elects to remain at the base prior to the completion of such pilot's last scheduled trip sequence. For a pilot who desires make-up flying, a hotel room will be provided for additional days if authorized by a Chief Pilot.
- e. In the event a pilot in the International Division is assigned to the Domestic Division as provided in paragraph c. above, the Domestic Sequences performed by such pilot shall be paid at International rates of pay.
- f. If a temporary vacancy in the same bid status is filled for two (2) consecutive months under the provisions of paragraph M.1., except under the provisions of <u>Section 9.C.2.d.</u>, a permanent vacancy in the appropriate bid status shall be made available in the next bid award process in the following order
  - (1) to pilots in the opposite division in the same category, equipment and base, provided the awarding of such vacancy does not create a subsequent vacancy, then
  - (2) if not filled per (1) above, in system seniority to all pilots.
- g. The number of vacancies which may be filled under paragraph M.1. shall not be limited.
- h. Pilots awarded/assigned temporary vacancies in accordance with provision M.1., shall exercise system seniority among the pilots regularly assigned to the bid status to which they are temporarily assigned for the purposes of bidding trip selections and filling open time.
- 2. Full Month Temporary Assignment Between Bases
  - a. If there is a temporary shortage of pilots in a bid status, the Company may create a temporary vacancy and make it available only to those pilots at another base, in the same category and equipment, who are currently qualified and available.
  - b. Such temporary vacancy may only be bid by pilots in the bid status to which it is made available, and the vacancy shall be awarded to the senior such bidder who is currently qualified and available to fill the vacancy.
  - c. In the event such temporary vacancy is not filled by the voluntary selection of a currently qualified and available pilot, such vacancy shall be filled by the assignment, in reverse order of system seniority, of a currently qualified and available pilot in the appropriate bid status. A pilot so assigned will be pay protected on the trip selection that the pilot could have held.
  - d. In the event a pilot in the International Division pilot is assigned to the Domestic Division as provided in paragraph c. above, the Domestic Sequences performed by such pilot shall be paid at International rates of pay.
  - e. If a temporary vacancy in the same bid status is filled for two (2) consecutive months under the provisions of paragraph M.2., except under the provisions of Section 9.C.2.d., a permanent vacancy in the appropriate bid status shall be made available in the next bid award process. The awarding of such vacancy shall be made in accordance with Section 17.
  - f. The number of vacancies which may be filled under paragraph M.2. shall not be limited.
  - g. Pilots awarded/assigned temporary vacancies in accordance with provision M.2., shall exercise system seniority for the purposes of bidding trip selections and filling open time.
  - h. Pilots awarded/assigned a temporary assignment in accordance with provision M.2., will be allowed expenses while away from their regular base in accordance with Section 7.
- 3. Vacancy Obligation
  - a. In the event the provisions of paragraphs M.1. and M.2. are utilized for two (2) consecutive months for the purpose of filling a temporary vacancy in the same bid status, except under the provisions of Section 9.C.2.d., and such temporary vacancy is required in the third (3rd) consecutive month, a permanent vacancy in the appropriate bid status shall be made available in the next bid award process.

- b. Such permanent vacancy shall be awarded or assigned as provided in M.1.f. or M.2.e. as determined by the manner in which such temporary vacancy was filled in two (2) of the three (3) consecutive months.
- 4. Less Than a Full Month Temporary Assignment Between Bases
  - a. During the course of a contractual month, the Company may proffer and then assign reserve pilots to temporary assignments at another base for the coverage of reserve flying, in accordance with <u>15.L</u>. in the procedures for the filling of open time.
    - (1) For temporary assignments of twenty (20) days or less, only pilots who are available for the entire period of the temporary assignment may be proffered or assigned.
    - (2) For temporary assignments of more than twenty (20) days, pilots who have a planned absence of not more than five (5) consecutive days during the period of the temporary assignment shall be proffered or assigned, in addition to pilots who are available for the entire period of the temporary assignment.
  - b. The provisions of 7. below shall apply to deadheads to or from the base of temporary duty.
  - c. Pilots who are not returned to their base when legal to do so after the completion of a trip sequence at the base to which temporarily assigned, will be considered to be on temporary assignment at such base.
  - d. The number of temporary assignments permitted under paragraph M.4. shall not be limited.
  - e. Pilots awarded/assigned temporary vacancies in accordance with provision M.4., shall exercise system seniority for the purposes of bidding trip selections and filling open time.
  - f. Pilots awarded/assigned a temporary assignment in accordance with provision M.4., will be allowed expenses while away from their regular base in accordance with Section 7.
- 5. Temporary Duty One Trip Sequence Only
  - a. When during the course of a contractual month, it becomes necessary to provide an additional pilot from another base for the coverage of not more than one (1) trip sequence, the Company shall follow the procedures outlined in Section <u>15.L</u>.
  - b. Such pilots will receive the flight time pay and flight time credit, including deadheading, for the trip sequence which is being covered. Such pilots shall be covered under the provisions of Section <u>15.E.</u>, <u>15.F</u>. and <u>15.G</u>. from the time they leave their base until they return to their base.
  - c. Such pilots will receive expenses while away from their base in accordance with Section 7. of this Agreement.
  - d. The number of temporary duty assignments permitted under paragraph M.5. shall not be limited.
- 6. Limitations On Temporary Assignments

A pilot may be assigned under the provisions of M.2. and/or M.4. of this Section, provided, however, such pilot may not be assigned in excess of one (1) month in any twelve (12) month period unless all pilots who have been subject to such assignment have been assigned once.

- 7. Temporary Duty Assigned Deadheading
  - a. Pilots assigned a full or partial month temporary assignment (TDY) between bases, in accordance with Section 15.M.2. or 15.M.4., shall have their PPROJ credited for the deadhead to and the deadhead from the base to which they are temporarily assigned.
  - b. If the deadhead to or from the assigned TDY base is not scheduled in conjunction with a flying assignment:
    - (1) The pilot's PPROJ shall be credited with the value of the average day, as provided in Section <u>15.G</u>., or the scheduled time of the deadhead, whichever is greater.
    - (2) The pilot's expenses for the TDY assignment, as provided in <u>Section 7.B.2</u>., shall begin at the scheduled departure time of the deadhead to the assigned TDY base and end at the scheduled arrival time of the deadhead from the assigned TDY base.

- c. If the deadhead to or from the assigned TDY base is scheduled in conjunction with a flying assignment:
  - (1) The pilot's PPROJ shall be credited with the value of the minimum day, as provided in Section <u>15.G</u>., or the scheduled time of the deadhead, whichever is greater.
  - (2) The pilot's on duty period shall be based on the flying assignment and the scheduled time for the deadhead combined.
  - (3) The pilot's expenses for the TDY assignment, as provided in <u>Section 7.B.2</u>., shall begin at the scheduled departure time of the deadhead to the assigned TDY base and end at the scheduled arrival time of the deadhead from the assigned TDY base.
  - (4) The computation of credited time for the flying assignment (Section <u>15.E</u>. and <u>F</u>.) will be based on the flying assignment, including report and debrief, not including the deadhead.
- d. Options for TDY Deadheads.
  - (1) A pilot scheduled to deadhead to a TDY base in conjunction with a flying assignment, or a reserve pilot scheduled to deadhead on a day of reserve availability, or a pilot who would otherwise be removed from a scheduled sequence at a TDY base because a deadhead could not be scheduled in compliance with the Basic Agreement, may not be assigned but at such pilot's option may elect to deadhead to the TDY base on the previous day, which may be a duty free period, an unscheduled day, a day of scheduled flying, or a day of reserve availability, and may also be the last day of the previous contractual month, provided such deadhead does not conflict with the pilot's scheduled flying or reserve availability on such day. In such case:
    - (a) The pilot's PPROJ shall be credited with the value of the average day, as provided in Section <u>15.G</u>., or the scheduled time of the deadhead, whichever is greater.
    - (b) The pilot shall be provided a hotel room.
    - (c) The pilot's expenses for the TDY assignment shall begin at the scheduled departure time of the actual deadhead.
    - (d) The only contractual requirement for performing the deadhead is to receive the minimum rest, as provided in Section <u>15.C.5</u>., prior to such pilot's next flying assignment.
  - (2) The provisions of d.(1) above shall also apply if a pilot, who is assigned a TDY and who holds a regular scheduled trip selection at the TDY base, elects to report to the TDY base earlier in the month than required in order to be available for additional flying.
  - (3) A pilot scheduled to return from a TDY on a deadhead to base in conjunction with a flying assignment may elect to deadhead the following day. In such case:
    - (a) The pilot's PPROJ shall be credited with the value of the minimum day, as provided in Section <u>15.G</u>., or the scheduled time of the originally scheduled deadhead, whichever is greater.
    - (b) The pilot shall be provided a hotel room.
    - (c) The pilot's expenses for the TDY assignment shall end at the scheduled arrival time of the actual deadhead.
- e. A pilot may be proffered, assigned, or reassigned to fly a trip sequence which would cause a double deadhead. A double deadhead is defined as:
  - (1) A normal deadhead to report to the TDY base at the beginning of the month followed by a trip sequence the first leg of which has a deadhead back to the pilot's home base; or
  - (2) A last trip sequence of the month the last leg of which is a deadhead from the pilot's home base to the TDY base followed by a normal deadhead to return from the TDY base to the pilot's home base at the end of the month.

Such pilot may elect to fly or not fly such double deadhead. If the pilot elects not to deadhead, such pilot will assume the legality of the sequence deadhead but not the

deadhead to report to/from the TDY base. In all cases, the pilot shall be paid and credited for the scheduled sequence deadhead and additionally such pilot's PPROJ shall be credited according to the provisions of M.7. for the deadhead to/from the TDY base.

- f. In the unusual circumstances where a pilot is assigned a full or partial month TDY for two or more consecutive months, the provisions in M.7. shall apply to each month as a separate TDY assignment.
- g. In the event a pilot assigned temporary duty, in accordance with Section 15.M.5., is extended by assignment or reassignment for any reason and is thereby assigned a partial month TDY in accordance with Section 15.M.4.c., the pilot's sequence shall be reconstructed so that the provisions of M.7. apply and the actual deadhead time from the sequence will be subtracted from the pilot's pay and credit.
- 8. Temporary Duty Lodging

A pilot on temporary duty, in accordance with the provisions of Section 15.M., who is eligible for a hotel, other than a pilot on temporary duty for one trip sequence only (Section 15.M.5.), shall be provided lodging in accordance with Section 7.

#### N. Reassignments

- Reassignment occurs if a regularly scheduled pilot is legal in all respects for such pilot's next regularly scheduled flight(s) or sequence(s), but instead is assigned by the Company to perform other flying in lieu of such pilot's regularly scheduled flight(s) or sequence(s). The sequence footprint is the originally scheduled flight departure (OUT) time on the first day of the sequence to the end of the originally scheduled flight termination (IN) time on the last day of the sequence, as defined in <u>Section 4.C.2.e.</u> [See Q&A 142]
- 2. A pilot reassigned shall be paid and credited the greater of;
  - a. the value of the original sequence, or
  - b. the value of the reassignment sequence.
- 3. In addition to 2. above, when a pilot is reassigned to flying that resides outside of the originally scheduled sequence footprint that pilot shall also receive a premium of:
  - a. pay, no credit, at a rate of one-half (50 percent) times the pilot's hourly base pay rate for that time flown outside of the footprint of the pilot's regularly scheduled sequence footprint.
  - b. Any additional flight time pay and credit associated with paragraphs <u>E</u>.,<u>F</u>. or <u>G</u> that was generated as a result of the reassignment outside the original sequence footprint does not qualify for the premium described in a. above.
- 4. A pilot reassigned above the pilot's Individual Monthly Maximum (IMAX) or the <u>Company</u> <u>Limit on Voluntary Flying</u>, if applicable, shall be paid at a rate of 1.5 times the pilot's hourly base pay rate for time above the IMAX, or the Company Limit on Voluntary Flying, if applicable (which shall not be cumulative with the payment in Section 15.N.3).
- 5. A pilot who was reassigned above his <u>IMAX</u> or the <u>Company Limit on Voluntary Flying</u>, if applicable, will have his credited projection (PROJ) reduced to or below his IMAX or the Company Limit on Voluntary Flying, if applicable, in accordance with the following:
  - a. Remove the pilot with pay, but no credit, from one or more whole sequences.
  - b. Remove the pilot with pay, but no credit, from a portion of a sequence, provided that the removal must be from the beginning or end of the sequence, (i.e., no mid-sequence removals.)
  - c. Following the completion of the reassignment, if the pilot has no other scheduled flying remaining in the current month, reduce the pilot's PROJ in the following contractual month by following step 5.a. and/or 5.b. above.
  - d. When reducing the pilot's PROJ in the current month, such reduction shall occur within 24-hours of the conclusion (debrief) of the reassignment sequence.

e. When reducing the pilot's PROJ in the next month, such reduction shall occur within 24hours of the conclusion (debrief) of the reassignment sequence or the 25th of the current month, whichever is later.

### **O.** Substitution of Equipment

Substitution of Equipment is defined as the substitution of aircraft to a type that is different from the pilot's current bid status and/or for which the pilot is not qualified to fly. A pilot whose regular trip or trip sequence becomes subject to a Substitution of Equipment will be pay protected in accordance with the pay provisions of <u>Section 4</u>. The pilot's Replacement Flying Window in the event of a Substitution of Equipment will be the Sequence Footprint, as defined in <u>Section 4</u>.

### P. Trip Trade System (TTS)

- 1. The current Trip Trade with Open Time (TTOT) and Schedule Enhancement Period (SEP) system will be replaced with a new Trip Trade System (TTS).
- 2. The TTS shall be developed by the Company, with APA oversight from the TTS Development sub-committee. The new system will be based upon the "proof-of-concept" that was completed in 2011 by the Company with the participation of APA.
- 3. Desired features of the new system to be included in the Requirements Document are:
  - a. Honor Seniority in turn (as defined in the proof-of-concept, or modified by mutual agreement)
  - b. Comply with FAR/CBA/Qualification Limitations
    - (1) Legalities based upon FAR 117
    - (2) Buffers defined by mutual agreement between the Company and APA, and consistent with buffers defined under <u>PBS</u>
  - c. Trip Trade System acts as an agent to complete the following types of trades:
    - (1) Multiple pilot trades
    - (2) Conditional (if then ballot)
    - (3) Pick-up, trade or drop with other pilots or open time (subject to Company control of open time)
  - d. The capability for pilots to execute manual trades.
  - e. A preference ballot which will:
    - (1) Contain pilot preferences for trip trades, drops and pick-ups;
    - (2) Be updatable at any time.
  - f. Reviewable reporting with transparency
  - g. Communication
    - (1) Variable mediums (email, text messaging, phone)
    - (2) Robust (automated phone contact)
  - h. TTS will run on a schedule mutually agreed to by the Association and the Company.

- The full development of a new TTS will be phased in order to provide value as quickly as possible and to provide time for integration of ballot functionality with other systems (primarily, <u>PBS</u> and DOTC).
- 5. Phase 1 will focus on multiple pilot trading on a daily (or more frequent basis) prior to DOTC. This was the focus of the proof-of-concept. Communication requirements should be minimal in this phase.
- 6. Work will begin no later than 2 months after a contract has been signed for <u>PBS</u>. Development time will be dependent upon the complexity of requirements and the availability of resources. The initial target for implementation is 1Q14 (post-PBS and post-FAR 117 implementation). An updated target date will be anticipated at start-of-work + 2 months.
- 7. Subsequent phases will integrate Phase 1 functionality with processes that control triptrading much closer to departure time (i.e., DOTC and real-time)

#### Q. Section 15 Questions and Answers

15-1. Q. At what time is a pilot legal to report for a pick-up sequence following displacement?

A. (1) If the pilot was displaced from a Domestic Sequence it is legal to report 15 minutes after the scheduled arrival of the trip from which displaced.

(2) If the pilot was displaced from an International Sequence it is legal to report 30 minutes after the scheduled arrival of the trip from which displaced.

15-2. Q. When removed from a trip sequence, under what circumstances does a pilot not have to be "paper legal"?

A. A pilot relieved from flying duties shall not assume the legality of a sequence(s) from which removed for the purpose of F.A.R. limitations or rest provisions of the Agreement except when deadheading to base earlier than scheduled in accordance with Section 15.C.5.f and 15.H.11. (removal code RA/AA).

If a pilot performs flying following the sequence from which removed under this provision, the actual on-duty period may not begin until after the scheduled debrief time associated with the sequence from which removed.

In the event that a pilot performs flying prior to the sequence from which removed under this provision, the debrief period associated with such sequence must be scheduled to be completed prior to the scheduled sign-in associated with the sequence from which removed.

15-3. Q. May the thirty minute (:30) report for deadhead be extended as a result of an operational necessity?

A. Yes, with proper notification, pilots may be required to report in excess of thirty minutes (:30) and the on-duty period shall be adjusted accordingly.

15-4. Q. A Long Call Reserve pilot is converted to Short Call Reserve Duty and assigned a RAP. During the RAP the pilot is assigned/awarded a sequence. Is this pilot still entitled to the 30 minutes (:30) of conversion pay?

A. Yes. The conversion pay is paid above the greater of guarantee or PPROJ for each RAP assigned/awarded and cannot be offset by the assigned/awarded sequence.

- 15-5. Q. What is the required debrief for an International Division pilot at the completion of a Domestic Sequence?
  - A. The required debrief is fifteen (15) minutes.

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- 15-6. Q. If a pilot is scheduled to fly out and deadhead back on a turn-around basis, is the pilot paid the original duty period if permission is requested to return on an earlier or later flight?
  - A. Yes. Section 15.H.11. applies.
- 15-7. Q. What is the guarantee of a reserve pilot returning from a leave of absence effective on the twenty-fifth (25th) day of a thirty (30) day contractual month?

A. The pilot has 6 days remaining in the contractual month. According to the chart in Section 15.D.3.q, this pilot will receive four (4) days of reserve availability and two (2) days of duty-free periods. Each day of Reserve availability is valued at 4:03 per day for a Long Call Reserve pilot and 4:13 per day for a Short Call Reserve pilot. This pilot's guarantee will be:

- (1) 16:12 (4:03 times 4 days) for a Long Call Reserve, or
- (2) 16:52 (4:13 times 4 days) for a Short Call Reserve.

Note: A reserve pilot with no previously awarded Reserve line returns from a leave of absence as a Long Call Reserve pilot.

- 15-8. Q. May the Company displace and assign reserve pilots for qualification purposes, e.g., take-offs and landings, line check, and Hit Cities when they are not the junior reserve available?
  - A. Yes
- 15-9. Q. Can the Company assign a reserve pilot to fly over the monthly maximum of eightyfive (85:00) hours PROJ?

A. No. The Company may not assign a reserve pilot to exceed the monthly maximum (85:00) based on the pilot's PROJ.

- 15-10. Q. What is the maximum number of hours that a reserve pilot can be awarded for flying on his days off?
  - A. A reserve pilot may be awarded flying on days off up to the lesser of

(a) the pilot's IMAX or,

(b) the Company Limit on Voluntary Flying, if applicable.

However, the Company retains the option to restrict a reserve pilot's flying on days off in order to preserve the ability of a reserve pilot to be assigned 85:00 hours of flying on his actual reserve available days.

The following examples show how reserve flying on days off is counted against the 85:00 hour reserve assignment maximum.

Example 1.: The Company has placed a 90:00 hour limit on voluntary flying for a particular month. A reserve pilot picks-up a 15:00 hour credited sequence entirely on days off. The 15:00 hour pick-up sequence is treated as follows:

(1) 15:00 hours is added to the pilot's PROJ, and the pay is applied above guarantee.

(2) The first 5 hours of the sequence is attributed to the difference between the 85:00 hour reserve assignment maximum and the Company Imposed Maximum, and the remaining 10 hours counts against the 85:00 hour reserve assignment maximum.

Example 2.: The Company has no Company Voluntary Limit and the pilot's IMAX is 98:00. The reserve pilot picks-up a 10:00 hour credited sequence entirely on days off. The 10:00 hour pick-up sequence is treated as follows:

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(1) 10:00 hours is added to the pilot's PROJ, and the pay is applied above guarantee.

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(2) All 10:00 hours of the sequence falls between the 13:00 hour difference between the 85:00 hour reserve assignment maximum and the 98:00 hour IMAX. The Company retains full access to the 85:00 hour reserve assignment maximum.

Note: In this example 2, should the pilot subsequently acquire additional flying on days off, the first 3:00 hours of the additional flying would not count against the Company's ability to assign reserve flying. The flying above 3:00 hours would count against the 85:00 hour assignment maximum.

15-11. Q. Prior to the implementation of the new Reserve Assignment System, which pilots are considered when forming variance groups in accordance with Section 18.G.6.d.?

A. All reserve pilots in the four part bid status are considered for the purpose of forming variance groups. Once variance groups are formed only qualified, legal and available (QLA) reserves are eligible for coverage of open time, short call or long call assignments.

15-12. Q. What is the Company's policy with respect to the assignment of reserves to open time in conjunction with the availability of reserves?

A. Prior to implementation of the new Reserve Assignment System, when a reserve pilot is the senior pilot in the appropriate variance group, legal and available for open flying and such pilot is denied such open flying in order to be available to cover a future trip shown on the open time list, such reserve pilot shall receive flight time pay and credit for the scheduled flight time of the trip sequence denied, including applicable credits, or flight time pay and credit for the future trip sequence, if flown, whichever is greater. In all cases, the future trip on the open flying list is still open flying and must be proffered to pilots by Variance Group and GTD during the normal time period for the filling of such open trip.

15-13. Q. If a reserve pilot is bypassed for an open trip sequence but does other flying on the days the bypassed sequence was scheduled to operate, does the other flying affect the pilot's GTD credit or reduce the amount of time to be added to the reserve pilot's pay projection (PPROJ) at the end of the month?

A. The entire scheduled value of the bypassed trip sequence is always added to the reserve pilot's pay projection (PPROJ) at the end of the month, regardless of other flying, whether by proffer or by assignment, which the reserve may have performed on the days the bypassed sequence was scheduled to operate. Any time in the PPROJ above the monthly maximum will be placed in the pilot's CPA at one for one. If the pilot's actual flight time worked was more than was credited on the days the bypassed trip was scheduled to operate, the additional flight time worked is also added to the pilot's GTD.

- 15-14. Q. Reserved
- 15-15. Q. Can a reserve pilot be assigned a trip that originates after 2400 but terminates prior to noon on the first day of a forty-eight (48)?
  - A. No. The flight must originate prior to 2400.
- 15-16. Q. A reserve pilot is available for only one day because of a duty free period that starts at midnight. To what length trip could this pilot be assigned?

A. In this case, the reserve pilot could only be assigned a trip that was scheduled to terminate at the pilot's crew base no later than midnight. However, if no other pilots were available, the above pilot could be assigned a trip that flew the pilot into the duty free period, as long as it returns the pilot to the pilot's crew base no later than 1200 local base time on the first day of the duty free period. No pilot can be assigned to fly into a duty free period as long as there is a pilot available that can be assigned the trip and not flown into their duty free period. A pilot can only be assigned to fly into two (2) duty free periods per month.

- 15-17. Q. When is a reserve pilot who completes a Domestic Sequence legal again if such pilot is scheduled and arrives at 0300 the first day of a 72 hour duty-free period which is scheduled in the current month?
  - A. 0300 + 0:15 debrief + 12 hours + 72 hours.
- 15-18. Q. Reserved

#### 15-19. Q. How is a "Short Notice" open sequence awarded/assigned?

A. When an open sequence is considered a "Short Notice" assignment, Crew Schedule will first identify and contact the appropriate QLA Reserve pilot on Short Call Duty in accordance with the reserve assignment process to establish the time needed for final notification in order to make the scheduled departure of the sequence. During this designated established period of time until final notification, Crew Schedule will proffer the open sequence per the rules of Section 15.L (Filling of Open Flying Time) to as many pilots as possible until reaching the notification deadline of the identified reserve pilot.

#### 15-20. Q. May a reserve pilot move a Duty Free Period (DFP)?

A. A reserve pilot's DFP's may be moved by mutual consent between the pilot and the Company in any combination.

#### 15-21. Q. How does the Company schedule a free standing 24 hour DFP for a reserve pilot?

A. The bid sheet cannot include a free standing 24 hour DFP for a reserve pilot. Once the month begins, the Company may either (1) move a moveable DFP and place it contiguous to an existing DFP leaving 24 hours of the original DFP as a stand alone 24, or (2) move a moveable 24 and place it as a free standing 24 leaving a minimum of 48 hours in the original DFP. In no case may the Company create more than one free standing 24 hour DFP in any one contractual month by the movement of moveable DFP's.

# 15-22. Q. Can the Company schedule a normal duty free period (DFP), or a moveable DFP, contiguous to the beginning of a reserve pilot's golden DFP?

A. Yes. However, a normal DFP scheduled contiguous to a golden DFP must be treated the same as the golden DFP; that is, the Company cannot schedule or assign any flying into the normal DFP. A moveable DFP can be scheduled contiguous to a golden DFP, or contiguous to a normal DFP which is contiguous to a golden DFP. A moveable DFP scheduled this way can be moved in accordance with Section 15.D.2.c. However, if the moveable DFP is not moved, it too must be treated the same as the golden DFP; that is, the Company cannot schedule or assign any flying into the moveable DFP. Once the month begins a moveable DFP can be moved and placed contiguous to a golden DFP, in which case it must also be treated the same as the golden DFP.

15-23. Q. Can a pilot trade a golden DFP?

A. Yes. However:

A golden DFP that is traded contiguous to a normal or moveable DFP reverts to a normal DFP.

An entire golden DFP that is traded for a normal DFP will no longer be considered a golden DFP and the normal DFP received will revert to a golden DFP unless it is contiguous to a normal or moveable DFP.

A portion of a golden DFP that is traded will no longer be considered a golden DFP unless the trade is for another golden DFP and is not contiguous to a normal or moveable DFP.

15-24. Q. A pilot in pick-up is eligible for a trip that requires a supervisory pilot but due to Company requirement (not FAR) is denied such trip due to lack of availability of a supervisory pilot. Is the pilot entitled to pay and credit for the trip?

A. No, a pilot must be qualified legal and available in order to be awarded a trip in pick-up.

15-25. Q. A pilot on reserve needing a twenty-five hour (25:00) line check with a supervisory pilot is bypassed for an open trip due to the unavailability of a supervisory pilot. Is the reserve entitled to pay and credit for the trip?

A. No.

15-26. Q. May the Company schedule regular layovers (off-duty periods) of less than 10 hours?

A. No. In accordance with Section 7.A.5.b., all regularly scheduled layovers (off-duty periods) must be no less than ten (10) hours plus one (1) hour reporting and fifteen (15) minutes debriefing (11 hours 15 minutes -- 11 hours 30 minutes International)

15-27. Q. Is a pilot allowed to use pick-up and fly to that pilot's IMAX or the Company Limit on Voluntary Flying when retiring on the 25th or should the month be prorated?

A. Yes, the pilot may pick-up and fly to that pilot's IMAX or the Company Limit on Voluntary Flying.

15-28. Q. A pilot in pick-up was proffered and awarded a trip sequence via the Daily Open Time Coverage (DOTC) process. The pilot subsequently advised the Company he/she was sick and would not be able to fly the awarded pick-up sequence. Is the pilot entitled to the pay for this pick-up sequence?

A. No. A pilot removed from a trip sequence due to an illness will only be paid for sequences acquired via a PBS line award, SEP, TTS or a trip-trade with another pilot.

15-29. Q. Is a pilot (pick-up or reserve) who is qualified, legal and available in the current contractual month entitled to proffer a sequence that will create a conflict with scheduled recurrent or requalification training consisting of six (6) days or less?

A. Yes. The pilot must be paper legal, in accordance with Section 5.I., for the awarded sequence in conjunction with the first (1st) scheduled sequence in the next contractual month. The Company will have the option to reschedule the training or remove and pay the pilot for the fly through trip sequence. If the training is moved, the pilot will be paid for the sequence(s) actually flown or displaced from, if applicable.

15-30. Q. A pilot in pick-up proffered and was awarded a trip sequence. Such pilot reported and signed in for the pick-up sequence. Prior to departure of the first (1st) flight of the sequence, the pilot advises the Company he/she is sick and will not be able to fly the awarded pick-up sequence. Is the pilot entitled to the pay for this pick-up sequence?

A. Yes. A pilot is considered on duty one (1) hour prior to the scheduled or rescheduled departure time of the first flight of a duty period, or thirty (30) minutes prior to the scheduled or rescheduled departure time of a deadhead flight. Once a regular scheduled pilot commences a duty period and is unable to fly due to an illness, such pilot is entitled to the pay of this pick-up sequence.

15-31. Q. Is a regularly scheduled pilot entitled to open time for the next day's flying if the pilot arrives at base and is scheduled for a forty-eight (48) on arrival?

A. Yes, provided the pilot changes or drops such duty-free period before the start of DOTC. After the start of DOTC the pilot must contact Crew Schedule to be eligible for remaining open time.

- 15-32. Q. Reserved
- 15-33. Q. May a pilot in the International Division accept a proffer of open time in the Domestic Division or vice-versa? How would the pilot be paid?

A. Yes, provided the pilot's PROJ would not exceed the lower of that pilot's IMAX or the Company Limit on Voluntary Flying for that pilot's four-part bid status, if applicable. The pilot would be paid at their hourly base pay rate plus International override for flying actually performed when applicable.

15-34. Q. If a Long Call Reserve pilot does not exceed his guarantee of 73:00 hours for the month, and was converted from Long Call Duty to Short Call Duty three times during the month, how would the conversion pay be applied?

A. The conversion pay of one hour thirty minutes (30 minutes for each conversion) is added to the guarantee.

15-35. Q. If a Long Call Reserve pilot exceeds his guarantee of 73:00 hours for the month, and was converted from Long Call Duty to Short Call Duty twice during the month, how would the conversion pay be applied?

A. The conversion pay of one hour (30 minutes for each conversion) is added to the PPROJ.

15-36. Q. May a pilot trade a trip if it would increase the pilot's Projection (PROJ) over the pilot's IMAX or the Company Limit on Voluntary Flying for the month?

A. No, a pilot may not trade a trip if the trade would result in the pilot exceeding the lower of his/her 1.) IMAX or 2.) the Company Limit on Voluntary Flying for the month.

15-37. Q. May a pilot in the International Division trade sequences within a contractual month with a pilot in the Domestic Division and vice versa?

A. Yes, within category, provided the pilots are QLA and the trade does not result in either pilot's PROJ exceeding the lower of the pilot's IMAX or the Company Limit on Voluntary Flying for that pilot's four-part bid status. Such trades are limited to pilot-to-pilot trades only.

- 15-38. Q. I attempt to travel to work. I am unable to make my departure time. Am I covered by the Commuter Policy?
  - A. Yes.
- 15-39. Q. Reserved
- 15-40. Q. Does pay and credit apply to delays at stations where deicing is performed on the gate (Miscellaneous Code 59)?

A. No. However, at those stations where Company aircraft are being deiced at a location other than the gate, pay and credit is applied to cover delays at the gate awaiting pushback, powerback or taxiout due to aircraft or vehicular traffic congestion at the deicing location by filing a Miscellaneous Code 59 through ACARS.

15-41. Q. Prior to the implementation of PBS, how does the Company determine a trip selection award commensurate with seniority when a pilot fails to submit a trip selection preference for a given month or fails to submit a trip selection preference containing a sufficient number of selections (bids)?

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A. In this event, the Company will utilize the trip selection preferences of the next most senior pilot in the appropriate bid status who has already been awarded a trip selection, and continue the awarding process from the point of the more senior pilot's award until such time as the more junior pilot is awarded a trip selection. If the more junior pilot is

unable to be awarded a trip selection (other than reserve) after exhausting all of the more senior pilots' preferences, such pilot will be awarded:

-The highest paying trip selection available.

-A vacation relief selection.

-A second round trip selection which is available.

-A reserve trip selection.

- 15-42. Q. at is the Company's policy with respect to the assignment of reserves to open time in conjunction with the availability of reserves after the implementation of the new Reserve Assignment System?
  - A. Reserve pilot assignments will be handled in accordance with Section 15.L.4.f.

AGREED TO UNDERSTANDINGS OF THE BASIC AGREEMENT

#### A. FUEL LANDING

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When a landing for fuel is required for the operation of a Domestic Sequence, and such landing is pre-planned in the flight release prior to the departure of the crew from a station, the additional time of such fuel landing shall not be considered a reassignment under the provisions of Section 15.N. However, if such assignment causes a pilot's PROJ to exceed the lower of that pilot's IMAX or the Limit on Voluntary Flying, such excess time created as a result of the fuel landing will be paid to such pilot at the rate of one and one-half (1-1/2) minutes for each one (1) minute.

B. DEADHEAD - FIRST AVAILABLE

If a pilot is canceled or misconnects away from base, and is legal and available to deadhead to his base on the next AA flight operating, but no space is available on such flight, and as a result of a later deadhead is illegal for his next regularly scheduled sequence, such pilot shall be protected under Section 15.N. only for the sequence missed.

# **SECTION 17**

#### FILLING VACANCIES, DISPLACEMENTS, REINSTATEMENTS, FURLOUGHS, AND RECALLS

## A. Bid Status

- 1. All pilot positions are identified by their bid status which consists of four elements:
  - a. Base
  - b. Category
  - c. Equipment
  - d. Division
- 2. Each bid status is ranked according to its elements. Bases have no ranking. Within a base, all Captain positions are higher than all First Officer positions. Within a base and category, bid status is ranked by equipment on the basis of certificated gross weight -- the higher the certificated gross weight, the higher the ranking. If two or more models exist within an equipment type, the average certificated gross weight of the models is used to determine the ranking. Within a base, category and equipment, a bid status is ranked according to division with International being higher than Domestic.

## B. Change in Bid Status

A pilot's bid status can only change as follows:

- 1. A pilot may bid for and be awarded a vacancy in a different bid status, which may be higher, lower or lateral (lateral meaning the same category and equipment -- different division and/or base) than such pilot's current bid status.
- 2. A pilot who is displaced from a bid status, because the pilot's position was eliminated or because such pilot was displaced by a more senior pilot, may displace a more junior pilot.
- 3. A pilot may proffer and be awarded a displacement which would have otherwise affected a junior pilot.
- 4. A pilot who is displaced from a bid status may later be reinstated to a vacancy in that bid status.
- 5. A pilot may be awarded a vacancy as a result of an entitlement which was awarded while serving a lock-in.
- 6. A pilot may be assigned to a bid status by the Company.

# C. Qualifications Required for Bidding and Filling a Vacancy

- 1. All pilots may bid for and be awarded any vacancy with the following exceptions:
  - a. A probationary pilot cannot bid for a Captain vacancy.
  - b. In order to be eligible to be awarded a bid status that requires or results in an Airline Transport Pilot Certificate, a pilot must possess such certificate or have previously entered the date of the successful completion of the required written examination for said certificate into the Company's computer database.
  - c. As provided in L. of this Section, a pilot serving a lock-in may, at the Company's discretion, only be awarded an entitlement to fill a future vacancy.
  - d. A pilot who is being withheld from occupying a bid status position in accordance with M.1.b. or c. of this Section, may only bid for a bid status lateral to (same category and equipment -- different division and/or base) or higher than the bid status from which withheld.
  - e. If a pilot is awarded a different bid status, either as a result of bidding for or being assigned to a vacancy or as a result of being displaced, such pilot's bid(s) for other

vacancies processed prior to the effective date of the pending bid status award will be given consideration as follows:

- (1) For a pilot who will be required to fulfill a lock-in in the pending bid status award,
  - (a) If such pilot is the successful bidder for a vacancy which is lateral (same category and equipment -- different division and/or base) to the pending bid status award, the pilot's bid for the lateral vacancy will be awarded, or
  - (b) If such pilot is the successful bidder for a vacancy in a bid status which is higher or lower than the pending bid status award, such pilot may only be awarded an entitlement to such bid status, in accordance with <u>Section 17.L.5</u>.
- (2) If a pilot will not be required to fulfill a lock-in in the pending bid status award, such pilot may bid for and be awarded a vacancy in any other bid status.
- 2. A pilot who is awarded a different bid status, either as a result of bidding for or being assigned to a vacancy or as a result of being displaced, shall be afforded the opportunity to acquire the necessary route qualifications, equipment qualifications or ratings within a reasonable period of time.

## D. Displacements

- 1. A pilot shall be considered displaced if any one of the following occurs:
  - a. The Company eliminates all positions in a bid status, in which case all pilots holding a position in such bid status shall be considered displaced.
  - b. The Company reduces the number of positions in a bid status, in which case, to the extent necessary to accomplish the reduction, the pilots within the bid status being reduced who have the least system seniority shall be considered displaced.
  - c. A pilot who has been displaced under any provision of this section may displace a more junior pilot in accordance with 7. below, in which case the more junior pilot may then also be considered displaced.
- 2. Proffer of Displacements
  - a. When a junior pilot is to be displaced from a bid status, the displacement shall be proffered in seniority order to all pilots in that bid status.
  - b. Displacement into another bid status is based upon the junior pilot's seniority. (For example, junior pilot A would otherwise be displaced; senior pilot B in the same bid status proffers the displacement; senior pilot B displaces into a bid status indicated on senior pilot B's bid preference list based on junior pilot A's seniority. Once senior pilot B is in the new bid status, bidding trip selections, vacations, etc. will be done with pilot B's own seniority.)
  - c. A pilot is eligible to proffer displacement provided:
    - (1) The pilot must fulfill a lock-in in accordance with <u>Section 17.L.1</u>., unless waived at the Company's discretion, except that the lock-in for a pilot who displaces to a lower bid status and only requires a short requalification training program shall be the same as a pilot bidding to a higher bid status.
    - (2) The pilot can fulfill the lock-in in <u>c.(1)</u>. above prior to normal retirement unless waived at the Company's discretion.
    - (3) A pilot fulfilling a lock-in may only proffer displacement to a lateral bid status (same category and equipment -- different division and/or base) unless released from the lock-in at the Company's discretion.
    - (4) A probationary pilot cannot proffer displacement to a Captain bid status.
    - (5) In order to be eligible to be awarded a bid status that requires or results in an Air Transport Pilot certificate, a pilot must possess such certificate or have previously entered the date of the successful completion of the required written examination for said certificate into the Company's computer data base.

- (6) The pilot has not begun, or is not within five (5) days of beginning training for another bid status as a result of a previous award.
- d. A pilot proffering displacement does not have a reinstatement right.
- 3. Each pilot shall have access to and shall be responsible for maintaining a displacement preference list as a part of his or her standing bid list. On the displacement preference list a pilot may list in order of preference any bid status to which the pilot would prefer to displace in the event such pilot is displaced. A pilot may add to, delete from, or rearrange the order of displacement preferences at any time prior to the date on which the bid award procedure is implemented.
- 4. Displacements may be processed during each vacancy bid run; simultaneously with reinstatements, entitlements and bid preferences for vacancies.
- 5. Displacements shall be effective on the published bid effective date, however a pilot displacing to a bid status with a higher pay rate, who completes OE prior to the published effective date, will be paid the higher rate commencing with the completion of OE.
- 6. The Company shall provide at least fifteen (15) days advance notice of the date on which displacements will be processed. Between the date on which advance notice is given and the date on which displacements are processed, pilots may continue to access and make changes to their displacement preference lists.
- 7. A displaced pilot may fill a vacancy or displace a more junior pilot. The vacancy or the position to which such pilot is displacing may be in a higher, lateral, or lower bid status than the bid status of the position from which such pilot was displaced. The order of awarding a new bid status to a displaced pilot is as follows:
  - a. A displaced pilot shall fill a vacancy from such pilot's bid preference list.
  - b. From such pilot's displacement preference list, the pilot shall be awarded the highest preference to which entitled by seniority.
    - (1) Such pilot shall have a reinstatement right to the bid status from which displaced, and
    - (2) Shall not incur a lock-in in the bid status awarded.
    - (3) Such pilot who is awarded, from the displacement preference list, a bid status at a base other than the one from which displaced, will be eligible for moving expenses as provided in <u>Section 8</u>, provided:
      - (a) Such pilot was not senior enough within his former base to have been awarded:
        - (i) a lateral (same category and equipment different division) displacement, or
        - (ii) a displacement to a bid position of equal or greater pay;

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- (b) Such pilot relocates to the base to which displacing;
- (c) Such pilot incurs a lock-in in the bid status to which displacing equal to the downbid lock-in specified in <u>Section 17.L.1.b</u>; and
- (d) Such pilot forfeits any reinstatement right to the bid status from which displaced.
- (4) When such pilot is awarded a bid status from the displacement preference list, the junior pilot who held that bid status may then be considered displaced.
- c. If the seniority of a displaced pilot does not entitle such pilot to a bid status from either the bid preference list or the displacement preference list, such pilot shall be assigned to a different bid status at that pilot's base.
  - (1) Such assignments shall be made in the following order:
    - (a) The displaced pilot will be assigned a vacancy in the highest bid status above the displaced status to which entitled by seniority at that pilot's base.
    - (b) The displaced pilot will displace a more junior pilot in the highest bid status above the displaced status to which entitled by seniority at that pilot's base.

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- (c) The displaced pilot will be assigned a vacancy in the next lower bid status if available at that pilot's base. If no vacancy is available, the pilot will displace a more junior pilot in that same next lower bid status at that pilot's base.
- (d) Step (c) will be repeated at each successively lower bid status until the displaced pilot is assigned a bid status at that pilot's base.
- (2) A pilot so assigned shall have a reinstatement right to the bid status from which displaced, and
- (3) Shall not incur a lock-in in the bid status to which assigned.
- d. If a displaced pilot cannot be awarded a vacancy at that pilot's base and there is no more junior pilot at that base, such pilot may be proffered those vacancies in the system for which there are no bidders, and then, if necessary, be assigned to such a vacancy.
  - (1) Such pilot shall have a reinstatement right to the bid status from which displaced, and
  - (2) Shall not incur a lock-in in the bid status awarded or to which assigned.
- 8. A pilot can only be displaced once in any contractual month, but a pilot who has been displaced may be displaced again in a later month. A pilot who has been displaced more than once may hold multiple reinstatement rights in accordance with E. of this Section.

## E. Reinstatement Rights

- 1. A reinstatement right provides a displaced pilot with the right to be reinstated to a vacancy in the bid status from which displaced before such vacancy is awarded to any other pilot who does not have a reinstatement right.
- When a pilot is displaced and is awarded another bid status, such pilot shall have a reinstatement right, unless the pilot is either awarded a bid status which was on the bid preference list or the pilot is entitled to receive moving expenses in accordance with <u>D.7.b.(3)</u> of this Section. As provided in <u>D.2.d</u>. of this Section, a pilot proffering displacement does not have a reinstatement right.
- 3. Duration of Reinstatement Rights
  - a. Any reinstatement right existing prior to January 1, 2013 shall not have an expiration date.
  - b. Any reinstatement right created on or after January 1, 2013 shall expire 36 months after the effective date of the event that created the reinstatement right. If, on the effective date of such event, the longest FAA-required training course for re-qualification to that reinstatement bid status is triggered in a period shorter than 36 months, then the reinstatement right will expire at the end of the shorter period (e.g., If the FAA requires the longest training course after a 30-month absence from the bid status, the reinstatement right will expire at the end of the 30th month following the effective date of the event that created the reinstatement right).
  - c. For purposes of this section, a furloughed pilot's reinstatement right, if any, is awarded and effective on the date of recall.
- 4. When two (2) or more pilots have a reinstatement right to the same bid status, their reinstatement rights will be honored in seniority order.
- 5. A pilot who has a reinstatement right to a bid status will automatically be reinstated if a vacancy becomes available in that bid status.
- 6. A pilot shall lose a reinstatement right to a bid status if reinstated to that bid status or if awarded any bid status which is on such pilot's bid preference list, except when awarded a lateral bid.
- 7. If a pilot has a reinstatement right, it will be included on the standing bid list and will be identified as a reinstatement right.
- 8. A pilot who has a reinstatement right may choose to forfeit such right at any time by deleting it from the standing bid list. If a pilot has more than one reinstatement right, such pilot may

choose to forfeit one or more such rights in this manner without affecting any other reinstatement rights.

9. A pilot who has been displaced more than once may have a reinstatement right to more than one (1) bid status. The reinstatement of such a pilot shall terminate reinstatement right(s) to any bid status which the pilot has ranked lower than the one to which reinstated but shall not affect reinstatement right(s) to any bid status which the pilot has ranked higher than the one to which reinstated. However, if such a pilot is awarded any bid status which is on such pilot's bid preference list, that pilot shall forfeit all reinstatement rights, except when awarded a lateral bid.

# F. Advance Notice of Vacancies to be Filled [See Q&A 17-8]

- 1. At least fifteen (15) days before implementing the bid award procedure, the Company shall provide notification of the following:
  - a. The date on which the bid award procedure will be implemented.
  - b. The number of known vacancies identified by bid status.
  - c. The effective date of all known vacancies.
  - d. A forecast of the total number of positions in the system for the first, third and sixth months, with the first month being the first month in which the vacancies are effective.
    - (1) The forecasts for the first and third months will be by bid status at each base or satellite base.
    - (2) The sixth month forecast will be for the system by category, equipment and division.
- 2. The forecasts required in 1. shall be the best estimates which the Company can provide, but they shall be made available solely as a guide and shall not, in any way, represent a commitment that the number and/or distribution of forecasted bid status positions will actually develop or be maintained.
- 3. Following the notification required in 1., pilots may continue to access and make changes to their standing bid lists at any time prior to the date on which the bid award procedure is implemented.

# G. Bid Award Procedure

- When there are known vacancies and/or displacements, the Company shall, no less than three (3) times per calendar year, simultaneously award bids for vacancies, and process displacements, reinstatements, entitlements, and also process displacements and vacancies resulting from such awards. All awards shall be based on system seniority giving first priority to reinstatement rights, second priority to entitlements and then bids for vacancies. Only those bids or displacement preferences indicated on pilots' standing bid lists will be considered in the bid award procedure. [See Q&A 17-7]
- With the exception of V. (Furloughs) and W. (Method of Recall) of this Section, none of the procedures in Section 17. (bidding for vacancies, displacements, etc.) shall apply to the Flight Test pilot positions.
- 3. The Company may accelerate the effective date of a bid to a given month if a pilot is scheduled to complete training during that month.
- 4. In the case of a change of bid status to a higher paying position, the Company will offer training in seniority order. In the event the Company chooses to bypass a pilot for a more junior pilot, then on a one-for-one basis, each bypassed pilot will be pay protected to the same effective date. [See Q&A 17-3]
- 5. In the case of a change of bid status due to a displacement, the Company will assign training in inverse seniority order.

# H. Standing Bid List

1. Each pilot shall indicate preferences for any change in bid status on a standing bid list. A pilot's standing bid list shall be the only method of bidding for vacancies or expressing

preferences for bid status positions should such pilot be displaced. Each pilot's standing bid list may include any or all of the following:

- a. Bid Preference List
  - (1) A pilot's bid preference list shall include all of that pilot's bids for any other desired bid status positions, listed in order of preference by the pilot. [See Q&A <u>17-4</u>]
  - (2) The bid status positions listed need not be vacant at the time they are placed on a pilot's bid preference list.
  - (3) If a pilot is displaced, such pilot shall be awarded the highest preference on his or her bid preference list to which such pilot is entitled by seniority, provided the position is vacant.
- b. Displacement Preference List
  - (1) A pilot's displacement preference list shall include all of that pilot's preferences for bid status positions to which such pilot would displace in the event of displacement from his or her present bid status position.
  - (2) Displacement preferences shall be listed in order of preference by the pilot.
  - (3) If a pilot is displaced and a vacant bid status position cannot be awarded from such pilot's bid preference list, such pilot will displace to the highest preference on his or her displacement preference list to which entitled by seniority.
  - (4) If pilots are displaced and have expressed no bid or displacement preferences, or they are not entitled by seniority to a position on either their bid preference lists or their displacement preference lists, such pilots shall be assigned to positions by the Company in accordance with <u>Section 17.D.7.c</u>. or <u>d</u>.
- c. Reinstatement Rights
  - (1) If a pilot has a reinstatement right to a bid status from which displaced, it shall appear on such pilot's bid preference list but it shall be identified as a reinstatement right.
  - (2) A pilot who has been displaced more than once may have more than one reinstatement right, in which case all such rights shall appear on such pilot's bid preference list.
  - (3) A pilot may arrange bid preferences and reinstatement right(s) in any order on the bid preference list.
  - (4) A pilot may forfeit a reinstatement right by deleting it from the bid preference list.
- d. Entitlements
  - (1) If a pilot has an entitlement which was awarded while serving a lock-in, the entitlement shall appear on such pilot's bid preference list but it shall be identified as an entitlement.
  - (2) A pilot may have only one entitlement.
  - (3) A pilot serving a lock-in who already has an entitlement may be awarded another entitlement, in which case the previous entitlement will automatically be deleted from such pilot's bid preference list.
  - (4) Pilots may arrange their entitlements and bid preferences in any order on their bid preference lists.
  - (5) A pilot may forfeit an entitlement by deleting it from the bid preference list.
- 2. A pilot may add, delete, or otherwise alter the preferences on the standing bid list at any time prior to the date on which the bid award procedure is implemented. All preferences on a pilot's standing bid list on the date the bid award procedure is implemented shall be considered, and any resulting change in bid status shall be binding on the pilot.

## I. Notice of Bid Status Positions Awarded

1. Following the implementation of the bid award procedure, the Company shall expeditiously provide electronic notification of all bid status positions which were awarded.

- 2. Each pilot whose bid status changed as a result of the bid award procedure shall be individually notified of such change.
- 3. Following the award/assignment of training associated with the results of the bid award procedure, the Company shall provide electronic notification of the dates of all such training awarded/assigned.

## J. Effective Date Of Bid Status

- 1. The effective date of a bid status position shall be on the date the pilot completes OE training or the published bid effective date, whichever is earlier, except as provided in R. and S. of this Section for the introduction of new equipment or the opening or reactivation of a crew base.
- 2. A pilot not trained in seniority order in accordance with Section 17.G.4 above, will, on a one for one basis, be considered withheld for pay purposes. The withheld pilot shall be pay protected upon the OE completion date of the applicable junior pilot. In the event such junior pilot is removed or delayed in training the pay protection shall begin on the junior pilot's original estimated completion date. The withheld pilot will be paid in accordance with Section 17.M.4 below.
- 3. A pilot will be paid the applicable rates of pay for a bid status commencing with the effective date of such bid status. However, a pilot who is scheduled to fly or flies in more than one (1) bid status during a contractual month as the result of a fly through trip sequence shall be paid and credited on the basis of the bid status contained in the fly through trip sequence until the fly through sequence terminates.

## K. Reporting To A Different Base

- 1. A pilot who receives a bid status award which involves transferring from one base to another, shall normally be given a period of not less than fifteen (15) days to report to such new base from the date on which notification of the bid award was made.
- 2. A pilot under 1. above who is required by the Company to report to another base in less than fifteen (15) days shall be afforded reasonable time off at a later date, not to exceed fifteen (15) days, at the time of such pilot's household move, to facilitate completing moving arrangements. The pilot's schedule will be so arranged at the new base as to minimize, insofar as is possible, loss of flying time during such reasonable time off in which moving arrangements are being completed. Such pilot shall be allowed actual reasonable expenses for himself or herself only at the new base station for the number of days equivalent to the difference between the standard fifteen (15) day reporting date and the date on which such pilot was actually required to report. Where Company Regulations or any provision of this Agreement provides additional moving expenses for specific moves, such expenses shall be in addition to, but not in duplication of, the expense provisions of this paragraph.

## L. Lock-Ins

- 1. A pilot awarded a bid status from the bid preference list or who is assigned a bid status as provided in <u>Section 17.N.1., 2., 3., 4.</u>, or <u>5</u>., shall be subject to the following period of lock-in:
  - a. If awarded/assigned a higher paid bid status -- twenty four (24) months,
  - b. If awarded/assigned a lower paid bid status -- twenty four (24) months,
  - c. If awarded/assigned a lateral bid status (same category and equipment -- different division and/or base) -- no new lock-in, but such pilot shall continue to serve the balance of any existing lock-in.
  - d. A pilot awarded to a different bid status for aircraft operated with a common type rating will not incur a lock-in.
  - e. A pilot who is serving a lock-in shall not be awarded a higher or lower bid status but may be awarded a lateral bid status (same category and equipment -- different division and/or base). However, a pilot who is serving a lock-in shall be released to initially upgrade to the next higher category after fulfilling six (6) months of such lock-in.

- f. A pilot who is displaced from a bid status while serving a lock-in shall, if later reinstated to that same bid status, resume the lock-in and serve the balance which remained at the time of displacement. However, upon reinstatement, such pilot shall be credited with any time served in the same category and equipment while displaced.
- g. A pilot who is displaced from a bid status shall not be required to serve a lock-in in the bid status assumed after displacement unless such bid status is awarded from the bid preference list.
- h. A pilot who proffers a displacement from a bid status shall be required to serve a lock-in in the bid status assumed after displacement.
- i. If a pilot, who is awarded/assigned a position in a lower bid status and is subject to the twenty four (24) month lock-in in b. above, is withheld from such bid status in accordance with <u>M</u>. of this Section, the lock-in shall be reduced by one (1) month for each month such pilot is withheld beyond the third (3rd) month after the effective date of the position from which withheld.
- j. A pilot awarded/assigned a bid status on "new equipment" or at a newly opened or reactivated base shall be subject to the lock-in provisions of <u>R</u>. or <u>S</u>. of this Section, as applicable.
- A newly hired pilot shall serve a six (6) month lock-in in the bid status of initial assignment. Such pilot may be awarded/assigned a lateral bid status (same category and equipment – different division and/or base), in which case the pilot shall not incur a new lock-in but shall continue to serve the balance of the existing lock-in.
- 3. Lock-ins shall become effective as follows:
  - a. A lock-in shall not commence prior to the effective date of the award.
  - b. A pilot who completes required training prior to the effective date of an award shall begin any applicable lock-in on the effective date of such award.
  - c. A pilot who completes required training after the effective date of an award shall begin any applicable lock-in on the first day of the contractual month following the completion of training, but no later than the first day of the second (2nd) contractual month following the commencement of training.
  - d. Any lock-in required for a pilot who has been withheld, shall begin when the pilot's period of withholding ceases, irrespective of when the pilot trains.
- 4. Lock-ins are a function of a change in bid status and are not mitigated or satisfied by previous or current qualifications or previous lock-ins.
- 5. A pilot who is serving a lock-in may bid for vacant bid status positions; however, if such pilot is the successful bidder such pilot may, at the Company's discretion, only be awarded an entitlement to the bid status. After such pilot has served the lock-in the entitlement may be exercised only when there is a vacancy in the bid status. Entitlements to a vacancy are awarded immediately after reinstatement rights. A pilot with an entitlement to a bid status will be awarded a vacancy before any pilot who does not have a reinstatement right or an entitlement. If more than one pilot has an entitlement to the same bid status, a single vacancy is awarded to the most senior.
- 6. Nothing herein shall prevent the Company from terminating a pilot's lock-in at its discretion.

# M. Withholding From A Bid Status Position

- 1. A pilot who is eligible to be awarded a bid status position may, at the Company's discretion, be withheld from occupying such position under the following circumstances:
  - a. Consideration of age,
  - b. Anticipated eligibility for and commitment to occupy a higher bid status than that from which such pilot is being withheld, as indicated on that pilot's bid preference list at the time such pilot is withheld,
  - c. Operational reasons, such as manning requirements or availability of training or equipment.

- 2. Withholding Time Limits General
  - a. If it is necessary to withhold a pilot from a bid status preference the following rules apply:
    - (1) a first year pilot's withholding period from a lateral position is limited to a total of two(2) months.
    - (2) A non-first year pilot's withholding period from a lateral position is limited to a total of six (6) months.
    - (3) All other withholding periods shall be no greater than twelve (12) contractual months from the effective date of the bid status award. This twelve (12) month limit shall not apply to the following exceptions:
      - (a) A pilot being withheld from a bid status preference in consideration of the pilot's age.
      - (b) If fleet specific training facilities that are owned, leased, or operated by the Company or an affiliate are fully utilized for American Airlines pilot training and no contract training capacity exists at any outside training facility.
      - (c) If necessary due to extraordinary circumstances, the Company and the Association will meet and agree on an appropriate duration for such withholding. Extraordinary circumstances, include but are not limited to:
        - An act of God,
        - A strike by any other Company employee group,
        - A national emergency,
        - Involuntary revocation of the Company's operating certificate(s),
        - Grounding of a fleet type or a substantial number of the Company's aircraft,
        - A reduction in the Company's operation resulting from a decrease in available fuel supply caused by either governmental action or the suppliers being unable to meet the Company's demands,
        - The unavailability of aircraft scheduled for delivery,
        - Start up of a new division (e.g., South America),
        - Elimination of a fleet type.
- 3. Withholding From A Displacement Preference
  - a. A pilot may be withheld from a displacement preference bid status if, the Company projects the pilot will subsequently be displaced from the displacement preference, that the pilot is entitled to by seniority, within three (3) contractual months of the effective date of the displacement. If the pilot is withheld from a displacement preference and is assigned a displacement preference at the same base as the withheld displacement preference, the Company may, if the original three (3) month estimate is in error, extend the withhold period for up to three (3) additional months if the Company projects that the pilot will be displaced in that time period. For each bid status from which a pilot is withheld, the three (3) month limitation and the three (3) month extension provided for in this paragraph will apply beginning on the effective date of the pilot's withhold from each such bid status.
  - b. A pilot who is withheld from a displacement preference, and is assigned a displacement preference at a different base from the withheld displacement preference, shall receive priority passes for travel between the pilot's base and the AA station nearest the pilot's residence to cover any flying obligation while that pilot is being withheld. The pilot does not qualify for priority passes after the pilot is either awarded a bid status preference, or is subsequently displaced from the withheld displacement preference.
  - c. If a pilot does not have sufficient displacement preferences listed to indicate a displacement preference to a bid status other than from what the pilot would be withheld, the Company shall contact that pilot and obtain additional displacement preferences.
  - d. A pilot withheld from a displacement preference shall be entitled to a reinstatement right to each displacement preference from which such pilot is being withheld. Multiple

reinstatement rights are permitted. Such pilot shall be paid for the highest four part bid status from which that pilot is being withheld.

- e. If a pilot can occupy the withheld bid status position at the end of the time period outlined in Paragraph a. above, the pilot shall assume the bid status effective with the next contractual month.
- 4. Effective Date Of Withholding Pay
  - a. A pilot will be considered withheld commencing with the effective date of the bid status position from which withheld, and shall as of that date, be paid the highest equipment rate of pay for the bid status from which withheld or the rate of pay for the flying actually performed, whichever is greater.
  - b. Such pilot shall be advised at the time of withholding the reason for withholding and the estimated duration of withholding.
  - c. Pilots being withheld shall retain their current bid status.
- 5. Termination Of Withholding/Withholding Pay
  - a. Withholding pay protection shall cease:
    - (1) When a pilot withheld under 1.a. above:
      - (a) No longer has a more junior pilot flying in the withheld status, or
      - (b) Is awarded a different bid status from the bid preference list.
    - (2) When a pilot under 1.b. above:
      - (a) Is assigned to a position in the withheld bid status, or
      - (b) Is assigned to a position in the higher bid status which such pilot had committed to accept when withheld, or
      - (c) No longer has a more junior pilot flying in the withheld bid status, or
      - (d) Is awarded from the bid preference list a position in a bid status lateral to or higher than that from which withheld.
    - (3) When a pilot under 1.c. above:
      - (a) Is assigned to a position in the withheld bid status, or
      - (b) Is awarded from the bid preference list a position in a bid status lateral to or higher than that from which withheld, or
      - (c) Has a more senior pilot displaced from the bid status from which withheld.
  - b. (1) When a pilot's period of withholding ceases in accordance with (1)(a), (2)(c), or (3)(c) above, the pilot will be considered displaced from the withheld bid status.
    - (2) (a) Such pilot will then be awarded a bid status position in accordance with D. above (Displacements), or withheld from such bid status position in accordance with M. above (Withholding From A Bid Status Position).
      - (b) The provisions of <u>D.2</u>. above (Proffer of Displacements) do not apply when a pilot is displaced from a withheld bid status, i.e., the displacement is not proffered to other pilots.
    - (3) In accordance with E. above (Reinstatement Rights), such pilot will be eligible for a reinstatement right to the bid status for which withholding ceased.
- When a pilot's period of withholding ceases, such pilot shall, as of that date begin serving any lock-in which may be required by the provisions of <u>L</u>. of this Section. If a pilot has been withheld from a lower bid status, the provisions of <u>L.1.h</u>. may apply.

## N. Assignment to a Bid Status

The Company may assign a pilot to a bid status in the following circumstances:

- 1. If there are no bidders for a Captain vacancy, the Company will again proffer the Captain vacancy. If there are still no bidders for the Captain vacancy, the Company will assign the most junior qualified First Officer in that base to the Captain vacancy.
- 2. In accordance with the provisions of <u>17.D.7.c</u>. and <u>d</u>., the Company may assign displaced pilots to a bid status.
- 3. Except for a newly hired pilot, a pilot assigned in accordance with 1. above shall serve a twenty-four (24) month lock-in in accordance with L.1.a. of this Section.
- 4. A newly upgraded Captain may be assigned First Officer flying to acquire experience. Such pilot will be given a temporary bid to that First Officer status and will bid for trip selections according to seniority within that First Officer status. Such pilot will be paid rates of pay according to that pilot's current status or the assigned status, whichever is greater.
- 5. Each month the Company shall provide the Association with information detailing the initial bid status assignments of all newly hired pilots and all pilots who were withheld from such bid status.

## O. Reserved

#### P. Failure to Qualify

- 1. When a successful bidder fails to qualify for an awarded bid status within thirty (30) days from the effective date of the award -- subject to weather, equipment availability, or extent of qualification requirements -- such pilot shall forthwith return to his or her former bid status at such pilot's own expense. The unfilled vacancy shall then be considered a new vacancy.
- 2. The Company may, at its discretion, extend the thirty (30) day window to accommodate the continuation of training course already begun.
- It is recognized that a pilot who has been awarded a bid status may be unable to commence or complete training to qualify for that new bid status due to circumstances beyond the pilot's control. In this case the following provisions apply:
  - a. The pilot will be returned to his/her previous status and paid in accordance with that previous status.
  - b. When the pilot is able to again commence training for the awarded bid status, or when such date can be reasonably determined, the pilot will notify the Company. Upon such notification, the pilot will be awarded a reinstatement right to the new bid status for a future vacancy award.

## **Q.** Cancellation Of Vacancy

If the Company awards a pilot a bid status and then cancels that award prior to its effective date, the pilot shall be considered to have been displaced from the bid status awarded. If, as a result of such displacement, a pilot is awarded a vacancy from the bid preference list, the determination of any lock-in shall be based on the bid status the pilot held at the time the future award was canceled.

#### **R. Introduction of New Equipment**

1. When new equipment is introduced at a base, it will be considered "new equipment" for the first twelve contractual months following the effective date of the first vacancy, and the Company may award vacancies on such new equipment up to six (6) months in advance of their effective dates. However, if the Company makes no vacancies available on the new

equipment for any three (3) consecutive months, it will no longer be considered new equipment.

- 2. Vacancies on new equipment will be filled using pilots' standing bid lists and the regular bid status award procedure.
- 3. Pilots awarded or assigned a bid status on new equipment will serve a lock-in of twenty-four (24) months. A lock-in of twelve (12) months applies to those pilots who may have held a lateral bid status (same category and equipment -- different division and/or base).
- 4. Pilots who are serving a lock-in at the time the Company announces the introduction of new equipment may bid for vacancies on the new equipment. If they are awarded a bid status on the new equipment, their existing lock-in will terminate and they will begin a lock-in on the new equipment.
- 5. Once the Company has announced the introduction of new equipment, pilots who begin training or begin a lock-in not associated with a bid status on the new equipment can not bid for the new equipment until they complete their lock-in, unless they are bidding for the new equipment from a lateral bid status (same category and equipment -- different division and/or base). If such pilots are awarded a lateral bid status on the new equipment, their existing lock-in will terminate and they will begin a lock-in on the new equipment.
- 6. With respect to bid status on new equipment, as with all other bid status, the Company may terminate pilots' lock-ins at its discretion, and the Company has the option to withhold pilots from a bid status.

## S. Opening, Reactivating, or Closing a Base

- 1. Opening or Reactivating a Base
  - a. When a base is reactivated or a new base is opened, these procedures will be in effect for the first twelve contractual months following the effective date of the first vacancy.
  - b. Vacancies at a new or reactivated base will be filled using pilots' standing bid lists and the regular bid status award procedure. However, pilots will be able to qualify their bids by indicating the lowest seniority position which will be acceptable to them in the status for which they are bidding, and the Company may award vacancies at such new or reactivated base up to six (6) months in advance of their effective dates.
  - c. Pilots awarded or assigned a bid status at a new or reactivated base will serve a lock-in of twenty-four (24) months. A lock-in of twelve (12) months applies to those pilots who may have held a lateral bid status (same category and equipment -- different division and/or base). While serving a lock-in at a new or reactivated base, pilots may not assume a lateral bid status at a different base.
  - d. Pilots who are serving a lock-in at the time the Company announces a new or reactivated base may bid for vacancies at the new or reactivated base. If they are awarded a bid preference at the new or reactivated base, their existing lock-in will terminate and they will begin a new lock-in.
  - e. Once the Company has announced a new or reactivated base, pilots who begin training or begin a lock-in not associated with the new or reactivated base may not bid for the new or reactivated base until they complete their lock- in, unless they are bidding for a lateral bid status (same category and equipment -- different division and/or base). If such pilots are awarded a lateral bid status at the new or reactivated base, their existing lock-in will terminate and they will begin a new lock-in.
  - f. With respect to bid status at a new or reactivated base, as with all other bid status, the Company may terminate pilots' lock-ins at its discretion, and the Company has the option to withhold pilots from a bid status.
- 2. Closing of a Base
  - a. The Company will announce the closing date of a base at least six (6) months prior to the closing; except that such notice is not required when a base is closed due to unforeseeable circumstances.

- b. During the period between the announcement of closing and the closing of the base, the Company will maintain the level of earnings of all pilots assigned to such base.
- c. During the period between the announcement of the closing and the closing of the base, a pilot may bid and be awarded a position in another bid status, but such pilot may be withheld from such bid status.
- d. Once the base closing is announced, each pilot assigned to such base should indicate to the Company, using the standing bid list, preferences for bid status assignment at a different base.
- e. When vacancies and displacements are processed for the month in which the base will close, each pilot assigned to such base will indicate to the Company, using the standing bid list, preferences for bid status assignment at a different base.
- f. The moving expenses of pilots who transfer to other bases in accordance with this provision will be paid by the Company in accordance with <u>Section 8</u> of this Agreement.

# T. Voluntary Mutual Bid Status Exchanges [See Q&A 17-2, 17-6]

The purpose of the Mutual Bid Status Exchange program ("Program") is to provide pilots at a base to be awarded their three-part bid status (category, equipment, division) at a different base.

The Association administers the Program solely as an accommodation to the Company. The Association assumes no special or new responsibility or liability to the Company, any pilot, or any other person or entity, as a result of its administration of the Program. The Company retains its authority and responsibility as employer under the Agreement.

A pilot, acting on his or her own behalf or through the Association as currently provided in the Agreement, has access to the existing grievance and arbitration processes set forth in Sections 21,22 and 23 of this Agreement, provided, however, that in any such grievance proceeding an arbitrator is without jurisdiction to enter relief against the Association.

After the normal monthly bid award process has been completed the Association will administer the Program subject to the following provisions and constraints:

- 1. Pilots who have indicated a preference to occupy their three-part bid status (category, equipment, division) at a different base will be identified. Pilots with pending bid statuses will not be included.
- 2. These pilots will be grouped by three-part bid status (category, equipment, division) and be sorted by seniority.
- 3. Pilots will be eligible for a mutual bid status exchange provided that each pilot is senior to the most junior pilot in their new respective bid status prior to the exchange. i.e. The mutual bid status exchange cannot result in a new more junior pilot in either one of the two statuses involved in an exchange.
- 4. Within each group, beginning with the most senior pilot, the Association will attempt to accommodate a mutual exchange with the next most junior pilot (or pilots, in the case of "Multi-Base" Exchanges), on the list, proceeding down the list and removing accommodated pilots until no further matches exist.
- 5. At the Company's option, mutual exchanges may be allowed based on a pilot's two-part bid status (category, equipment).
- 6. Pilots who are successfully matched in (4) above are awarded the respective bid status without incurring a lock-in.

E.g.

Seniority #	Base	Proffers:	Matched With:	Result
1	LAX	CLT	5	Awarded CLT
2	ORD	CLT	3	Awarded CLT
3	CLT	ORD	2	Awarded ORD
4	DFW	CLT	None	Remains DFW
5	CLT	LAX	1	Awarded LAX

6	LGA	CLT	9	Awarded CLT
7	LAX	CLT	8	Awarded CLT
8	CLT	LAX	7	Awarded LAX
9	CLT	LGA	6	Awarded LGA

7. APA will normally provide Crew Resources with the list of bid status exchanges by the 6th of the month preceding the effective date of the new bid statuses.

## U. Change of Base Due to Hardship

The Vice President-Flight of the Company and the President of the Allied Pilots Association will consider each request for a change of base due to hardship on a case-by-case basis, giving due consideration to the particular circumstances involved.

## V. Furloughs

- 1. When a curtailment of operations results in fewer pilots being employed by the Company, the most junior pilots in the system, irrespective of their bid status or any rights that have accrued to them, shall be furloughed on a system-wide basis in reverse order of system seniority.
- 2. In the event of a furlough, the Company will notify all pilots that it will consider all requests for Leaves of Absence in order to mitigate the number of furloughs.
- 3. Pilots to be furloughed will be given thirty (30) days' notice before the effective date of the furlough. Such notice will not be applicable in cases of emergency which include, but are not limited to acts of God or a strike by employees of the Company.
- 4. A pilot furloughed by the Company due to a reduction in force shall continue to accrue seniority during the period of such furlough. Length of service for pay purposes shall not accrue during such period of furlough.
- 5. Furlough Pay
  - a. A pilot who has completed one (1) or more years of service with the Company as a flight deck crewmember and who is furloughed shall receive furlough pay based upon such pilot's earnings for the last full month prior to the announcement of furlough, but not less than the average of Long Call and Short Call Reserve guarantee for the bid status such pilot held that month, for the period of time specified below, except that no furlough pay will be paid when furloughs are caused by an act of God, a national emergency, involuntary revocation of the Company's operating certificate(s), a strike by any Company employee group, or a reduction in the Company's operation resulting from a decrease in available fuel supply caused by either governmental action or by commercial suppliers being unable to meet the Company's demands.

If a pilot has completed:	
1 year of service	1 month furlough pay
2 years of service	1-1/2 month's furlough pay
3 years of service	2 month's furlough pay
4 years of service	2-1/2 months' furlough pay
5 years of service	3 months' furlough pay
6 years of service	3-1/2 months' furlough pay
7 years of service	4 months' furlough pay
8 years of service	5 months' furlough pay
9 years of service and thereafter	5-1/2 months' furlough pay

b. A pilot eligible for furlough pay shall receive such pay starting at the time of furlough and such payments for the amounts due shall be at regular pay periods and continue until all furlough pay credit is used, except that in no event shall any such pay be due after the effective date of recall or, if such pilot elects to defer recall in accordance with W.3. of this Section, the effective date of such deferral.

# W. Method of Recall

- 1. All pilots furloughed from the Company shall file proper addresses with the Vice President-Flight of the Company at the time of furlough. Any changes in address must be supplied promptly to the Vice President-Flight of the Company. A pilot shall not be entitled to preference in re-employment if such pilot does not comply with the foregoing requirements.
- Furloughed pilots who are recalled to the employ of the Company shall be allowed a period of twenty-one (21) days to return to the service of the Company after date of postmark of replyrequested telegram or cablegram, or certified return-receipt-requested letter, of such pilot's reassignment to duty with the Company, sent to the last address on file with the Vice President- Flight of the Company.
- 3. Furloughed pilots referred to above who are recalled to the employ of the Company must respond to such recall in accordance with paragraph 2. above, provided, however, such recalled pilot may defer return to the active flight payroll for a period not to exceed two (2) years from the date of postmark on the notice of recall or the date the least senior furloughee is recalled, whichever date comes first, provided further that such deferring pilot may cancel such deferral, in writing, and become eligible for recall at the next recall date. When a pilot's deferral period has expired, such pilot will be eligible for recall and such pilot will be recalled when the needs of the Company require such recall. Pilots electing to defer their return to the Company in accordance with the above must notify the Company by telegram, cablegram, or certified letter, return-receipt-requested, of their decision and length of requested deferral, within twenty-one (21) days of postmark on their recall notice. Pilots electing to defer their return to active flight duty will continue to accrue occupational seniority, but length of service for pay purposes shall not accrue during such deferral period.
- 4. When a furloughed pilot is recalled and placed on active pilot status with the Company, such pilot shall have no prior right or claim to any vacancy or vacancies that have been filled during the period of such furlough. However, if the pilot had a reinstatement right at the time of furlough, the pilot may reclaim such reinstatement right. If more than one reinstatement right was held, the pilot may select one such reinstatement right.

## X. Number of Bid Status Positions

- 1. The minimum number of monthly positions in each bid status shall be no less than:
  - a. Total regularly scheduled flight time, plus
  - b. Total scheduled flight time credit, plus
  - c. Total charter and extra section flight time, plus
  - d. Ten percent (10%) of the total of a., b., and c. above (reserve), plus
  - e. Total anticipated hours of vacation, plus
  - f. Total anticipated hours of training,
  - g. Divided by the monthly average line value (MALV).
- 2. The above formula shall not prohibit the Company from increasing the number of pilot positions in a bid status above the minimums determined above.
- 3. By the fifteenth day of the month, the Company shall forward the Association a report of all flying planned and flown in the previous month.

## Y. Pilot Status Listing

The Company shall publish a list each month on which shall appear the names and status of all of the pilots in the employ of the Company and the stations at which they are currently based. Such list shall include the bid status of pilots, their seniority numbers, the bid status for which reinstatement rights are held, entitlements, lock-ins, and deferrals. Three (3) current copies of such list shall be distributed monthly to the Flight Department offices at each base, one (1) additional current copy of such list shall be furnished to the Bulletin Board at all bases and co-terminals, and one (1) current copy shall be furnished to the Chairman and Vice Chairman of each Domicile and the President of the Association. Such lists shall be made available at all times for examination by pilots, and no such list shall be removed from Company property.

## Z. Section 17 Questions and Answers

17-1. Q. Can a newly hired pilot be assigned to a vacancy for which more senior pilots are bidding?

A. Yes. More senior pilots who have bid preferences for the bid status to which a newly hired pilot is assigned, and who are not awarded the vacancy, may be fulfilling a lock-in (for example, a 24 month lock-in as a 767 first officer), or they shall be withheld from the bid status to which a newly hired pilot is assigned. If the pilot is denied the vacancy as a result of a lock-in, such pilot shall be given an entitlement right to the position.

- 17-2. Q. While serving a lock-in a pilot is awarded a bid status for the same equipment, seat and division via the "Voluntary Mutual Base Exchange Program". Is such pilot released from the existing lock-in?
  - A. No. The pilot will continue to serve the balance of the existing lock-in.
- 17-3. Q. May a pilot request specific training dates?

A. Yes. A pilot will be assigned to training in system seniority order, however, pilots may request to defer training to a different available training class. All deferral requests will be considered and may be honored if manning permits. If a pilot voluntarily requests and receives a later training date the effective date of the bid for that pilot will be based on the earlier of the date the pilot completes OE or the published bid effective date.

17-4. Q. The Company has published a bid with an effective date of April 1. A pilot is awarded a vacancy yet a more junior pilot is assigned to training prior to the senior pilot. What is the status of the senior pilot?

A. The senior pilot will be pay protected from the date the junior pilot completes OE, or April 1, whichever is earlier. In the event such junior pilot is removed from or delayed completing training the pay protection shall begin on the junior pilot's original estimated completion date.

17-5. Q. Can a junior pilot fill a vacancy via a displacement preference ahead of a more senior pilot with the same bid listed as a bid preference?

A. Yes. If the junior pilot referred to above has the seniority to displace into the four (4) part bid status where the vacancy exists, such pilot will be awarded the displacement preference bid thereby eliminating the vacancy.

- 17-6. Q. Does a pilot awarded a bid status for the same equipment, seat and division via the "Voluntary Mutual Base Exchange Program" lose a previously awarded "Entitlement" or "Reinstatement Right(s)"?
  - A. No.
- 17-7. Q. What is the interpretation of the word "simultaneously" as it relates to the Bid Award Procedure in Section 17.G.1.?

A. The interpretation of the word "simultaneously" as written in Section 17.G.1. means "within the same bid run." The order of filling of positions are displacements, reinstatements, entitlements and preferences.

17-8. Q. Without a monthly bid award run how will pilots know when a vacancy bid run will occur and when training will be offered?

A. Section 17.F governs the Company's notification requirements for filling of vacancies. The Company is required to have three (3) or more vacancy runs per calendar year. The Company will provide notice prior to those vacancy runs. As an example, the Company may give notice in December for a vacancy run that will have an effective date of April 1. The vacancy bid will be run and awarded in December. Training will occur prior

to April 1. Some pilots may begin training shortly after the bid is awarded while others may not attend training until closer to the effective date of April 1.

# **SECTION 26**

#### AMENDMENTS TO AGREEMENT, EFFECT ON PRIOR AGREEMENTS, AND DURATION

#### A. Amendments to Agreement

Either party hereto may at any time propose, in writing, to the other party any amendment which it may desire to make to this Agreement, and if such amendment is agreed to by both parties hereto, such amendment shall be stated, in writing, signed by both parties and the amendment shall then be deemed to be incorporated in and shall become a part of this Agreement.

#### **B. Effect on Prior Agreements**

This Agreement, including the Supplemental Agreements and Letters attached hereto, shall supersede and take precedence over all Agreements, Supplemental Agreements, Amendments, Letters of Understanding and other documents concerning the same subjects executed between the Company and the collective bargaining representative of the pilots in the service of American Airlines, Inc. prior to the signing of this Agreement. All rights and obligations, monetary or otherwise, which may have accrued because of services rendered prior to the effective date of this Agreement shall be satisfied or discharged.

#### C. Duration

This Agreement shall become effective on January 30, 2015, except as otherwise stated herein, and shall continue in full force and effect until January 1, 2020, and shall renew itself without change until each succeeding January 1 thereafter, unless written notice of intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party hereto at least thirty (30) days prior to January 1, 2020, or January 1 of any subsequent year.

#### **D. Early Opener**

If written notice is provided by either party at least thirty (30) days prior to January 1, 2019, the parties agree to commence negotiations in January 2019, in accordance with Section 6, Title I, of the Railway Labor Act, as amended.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this the 30<sup>th</sup> day of January, 2015.

WITNESS:

FOR THE AIR LINE PILOTS IN SERVICE OF AMERICAN AIRLINES, INC. AS REPRESENTED BY THE ALLIED PILOTS ASSOCIATION

FOR AMERICAN AIRLINES, INC.

/signed/\_\_\_\_\_ Captain Keith Wilson President /signed/\_\_\_\_\_ Paul Jones Senior Vice President & General Counsel /signed/\_\_\_\_\_ Norman G. Miller Negotiating Committee Chairman

/signed/\_\_\_\_\_ Charles Hairston Director, Pilot Contract Negotiations

/signed/\_\_\_\_\_ David C. Brown Negotiating Committee Member

/signed/\_\_\_\_\_ Dean Colello Negotiating Committee Member

/signed/ Carrie Giles Negotiating Committee Member

/signed/\_\_\_\_\_ Ken Holmes Negotiating Committee Member

/signed/\_\_\_\_\_ Brian Smith Negotiating Committee Member

/signed/\_\_\_\_\_ Jeff Thurstin Negotiating Committee Member /signed/\_\_\_\_\_ Beth Holdren Managing Director Labor Relations, Flight

/signed/\_\_\_\_\_ Todd Jewett Senior Manager Labor Relations, Flight

/signed/\_\_\_\_\_ Keith Austin Manager, Labor Relations, Flight

/signed/\_\_\_\_\_ James Eaton Senior Manager - Pilot Negotiations

/signed/\_\_\_\_\_ Lyle Hogg Vice President, Flight Operations, US Airways Inc.

# LETTER G

January 30, 2015

Captain Keith Wilson President – Allied Pilots Association 14600 Trinity Boulevard, Suite #500 Fort Worth, TX 76155 – 2512

Re: Furlough Length of Service (LOS)

Dear Captain Wilson,

All "New American Airlines" Pilots (LUS and LAA) furloughed after September 11, 2001 will have the length of time they were on furlough added to their total accredited service in accordance with the following guidelines:

- 1. Pilots involuntarily furloughed after September 11, 2001 who have returned to active status or accepted recall by January 30, 2015 shall have up to two (2) years Company service restored for vacation accrual and pay (LOS credit).
- 2. Furlough Stand in Stead pilots shall receive LOS credit for the time spent on furlough prior to their first offer of recall.
- 3. Furloughed pilots will not receive LOS credit for time on deferred status.
- 4. Nothing contained in this letter shall impact furloughed pilots contractual rights under Letter T of the 2013 MTA dated December 9, 2013.

American Airlines will provide LOS credit as described in this letter based on a final spreadsheet provided by APA. The spreadsheet shall include, at a minimum, names, employee numbers, and amount of credit.

American Airlines will apply the length of service credit associated with this provision within 60 days after the receipt of the spreadsheet from APA. All provisions are fully retroactive to December 2, 2014 and distribution of the retroactive components will be coordinated with the Association.

Sincerely,

By: <u>/ signed /</u> Beth Holdren Managing Director Labor Relations - Flight

AGREED

ALLIED PILOTS ASSOCIATION

By: <u>/ signed /</u> Captain Keith Wilson President