

LETTER OF AGREEMENT
between
AMERICAN AIRLINES, INC. & US AIRWAYS, INC.
and the
CWA/IBT ASSOCIATION
as the certified representative of the
PASSENGER SERVICE EMPLOYEES

THIS LETTER OF AGREEMENT (this "Agreement") is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between legacy American Airlines, Inc. ("American"), legacy US Airways, Inc. ("US Airways") (collectively, the "Airline Parties"), and the passenger service employees in the service of American and US Airways as represented by the CWA/IBT Association (the "Association"). The Airline Parties and the Association are collectively referred to in this Agreement as the "Parties."

WHEREAS, the Parties intend during an Interim Period as defined below to provide employment opportunities to passenger service employees of the Airline Parties who have recall rights at either airline arising from layoff or displacement prior to and during this Agreement;

WHEREAS, the Parties intend that the terms and conditions of employment for passenger service employees will remain separate during the Interim Period depending on whether the employee is employed by US Airways or American; and

WHEREAS, the passenger service employees in the employ of American are currently subject to discipline and discharge, and are entitled to participate in American's grievance and discharge review program applicable to non-management employees, and by this Agreement the Parties intend to modify American's grievance and discharge review program during the Interim Period in certain respects as to passenger service employees.

THEREFORE, the Parties mutually agree as follows:

I. Interim Period

- A. "Interim Period" shall mean the period beginning as soon as practicable following the effective date of this Agreement and no later than thirty (30) calendar days following the effective date of this Agreement and ending on the date of Operational Employee Integration as defined below.
- B. During the Interim Period, passenger service employees currently employed and who become employed by US Airways will continue working under the terms of the current collective bargaining agreement between US Airways and the Association entered into on January 6, 2005 (the "2005 CBA").
- C. During the Interim Period, passenger service employees currently employed and

who become employed by American will continue working under American's applicable policies and procedures, as may be amended from time to time, except American's grievance and discharge review program applicable to non-management employees shall be modified as to passenger service employees as follows:

1. An employee shall be provided written notice of any discipline;
2. Written notice, with a copy to the Association, of the time and location of hearings shall be provided to the employee at least three (3) workdays prior to a hearing before a Company-appointed Hearing Officer;
3. Attendance of a representative of the Association, at the election of the employee, shall be permitted at hearings before a Company-appointed Hearing Officer and at grievance review meetings with the Department Executive-in Charge;
4. Assistance and/or the representation of the representative of the Association shall be permitted at hearings before a Company-appointed Hearing Officer, at the election of the employee; and
5. An employee and/or his Association representative will be granted access to the employee's individual personnel records when properly requested in writing by the employee. Management reserves the right to be present when employee personnel records are reviewed. This review may be accomplished prior to any grievance hearing and copies of relevant documentation will be provided.

D. With respect to Paragraph C above, this Agreement shall prevail in the event of any conflict between a provision herein and a provision in American's grievance and discharge review program.

E. If, either American or US Airways has a passenger service vacancy during the Interim Period, then prior to hiring a new employee off the street to fill the vacancy, the airline with such vacancy shall offer the vacancy to passenger service employees from the other airline, if any, who have recall rights resulting from layoff or displacement to the same location and classification as the vacant position, in accordance with the following:

1. Passenger service employees with recall rights resulting from layoff or displacement at either American or US Airways will be offered, contingent on the satisfaction of the specified requirements in Paragraph E.2 below, preferential hiring opportunities, in recall order at the other airline to the location, classification, and status (i.e., full-time or part-time) for which they have recall rights. Employees with recall rights resulting from layoff or displacement will be offered, at most, a single full-time vacancy and a single part-time vacancy (i.e., employees who refuse a preferential hiring offer will not be eligible for another

preferential hiring offer for the same status that they refused). Employees with full-time recall rights to a location and classification will be eligible for both full-time and part-time vacancies at such location and classification. Part-time vacancies will be offered in recall order to employees with either part-time or full-time recall rights to a location and classification. Employees with part-time recall rights to a location and classification, however, will only be eligible for full-time vacancies at such location and classification, if any, occurring after all employees with full-time recall rights to such location and classification have been offered full-time vacancies. If an employee with recall rights from layoff or displacement accepts any vacancy offered, no further vacancies (full-time or part-time) will be offered to such employee.

2. An employment offer extended pursuant to this Agreement will be contingent on the employee satisfying all new hire requirements/provisions of the hiring airline, including, background checks, drug/alcohol testing, and any other new hire training and security screening requirements.
3. Except as modified in this Agreement, an employee accepting a passenger service position pursuant to this Agreement shall be considered a new hire employee of the hiring airline. American employees hired at US Airways will be eligible for applicable health and welfare benefits immediately, except for long-term disability benefits, for which such employees will be eligible after sixty (60) calendar days of employment with US Airways. US Airways employees hired at American will be eligible for applicable health and welfare benefits after thirty (30) calendar days of employment at American, except those hired from an active (displaced) position at US Airways will be eligible for applicable health and welfare benefits on their first date of employment at American.
4. A US Airways employee accepting a position with American under this Agreement will be paid at their applicable pay rate at US Airways, including any customer contact premium, and thereafter be paid in accordance with American's policies. An American employee accepting a position with US Airways under this Agreement will be placed on the applicable pay scale at US Airways at the pay step closest to, but not less than, his applicable pay rate at American (with the exception of an employee at the top pay step at American who will move to the top pay step at US Airways), and thereafter the employee will be paid in accordance with the 2005 CBA based on his start date at US Airways (i.e., he will move to the next pay step six months or 12 months later, as applicable). This provision shall have no impact on the pay step of any other passenger service employee in the location. Employees who accept a position under this Agreement will not be

subject to any new hire probation periods of the hiring airline.

5. Employees accepting a vacancy under this Agreement will retain any accrued sick hours/days and sick retirement hours/days, if any, from the original airline and will be credited for any such hours/days upon OEI if applicable under the the joint collective bargaining agreement.
6. Employees accepting a vacancy under this Agreement shall be ineligible to transfer to another position at the hiring airline for a period of six months from the date of hire.
7. Employees who accept positions under this Agreement will retain recall rights and seniority from their original airline for the duration of any remaining recall period and during such time will continue to be eligible for recall as provided for under American's policies and procedures if their original airline is American or as provided for under the 2005 CBA if their original airline is US Airways.
8. Employees who accept employment under this Agreement and are receiving periodic furlough/severance payments at that time, shall cease receiving furlough/severance pay effective their first day of employment at the hiring airline. For any employee who accepts employment under this Agreement and who previously received lump sum or advanced furlough/severance pay, the employee will be required to reimburse their original airline the pro rata amount of such furlough/severance pay, if any, that was provided to compensate such employee for the period of time after their first day of employment at the hiring airline. The employee and hiring airline shall mutually agree to a lump sum payment or payment schedule in regards to the reimbursement of furlough/severance payment.
9. Employees who accept employment under this Agreement and who subsequently resign from their position will forfeit all rights for time worked at the hiring airline, but will retain recall rights and seniority, if any, from their original airline that remain at the time of their resignation.
10. Employees who accept employment under this Agreement and are subsequently terminated will be considered terminated from both carriers, but will only be entitled to pursue a grievance in accordance with the process provided for at the terminating airline.

II. Operational Employee Integration

Operational Employee Integration ("OEI") shall mean the time when the passenger service

employees of American and US Airways are covered by a joint collective bargaining agreement, and the passenger service employee integrated seniority list becomes effective.

III. Interpretation/Application

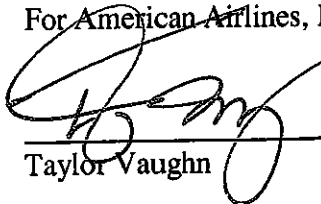
Any disputes which arise out of an interpretation or application of this Agreement will be subject to resolution by final and binding arbitration in accordance with the provisions of Article 26 of the 2005 CBA.

IV. Effective Date and Duration

This Agreement will become effective upon the date set forth hereunder and will remain in effect through the date of OEI.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement and which shall be effective this 11th day of February 2015.

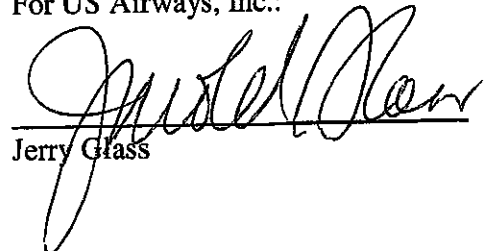
For American Airlines, Inc.:


Taylor Vaughn

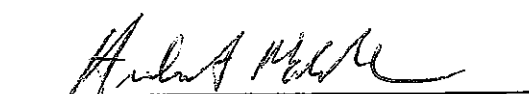
For Communications Workers of America:


Ron Collins

For US Airways, Inc.:


Jerry Glass

For International Brotherhood of Teamsters:


Andrew Marshall