

July 14, 2020

Marge Krueger  
Administrative Director  
Communication Workers of America  
Bridgeville, PA 15017

Kimberly Barboro  
National Coordinator  
International Brotherhood of Teamsters, Local 104  
Phoenix, AZ

*Re: July 2020 Extended Voluntary Leave of Absence Program*

Dear Marge & Kim:

This Letter of Agreement (“LOA”) is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between American Airlines, Inc. (“American” or the “Company”) and the Passenger Service Employees in the service of American Airlines, Inc., as represented by the CWA-IBT Association (“Union” or the “Association”), with both the Company and Union referred to as the “Parties.” The below special Extended Voluntary Leave of Absence Program (“EVLOA”) is not being provided generally going forward but has been agreed to by American and the Union on a one-time basis to address the impact of the COVID-19 pandemic. The Parties agree the below EVLOA is not comparable and is in addition to any existing program provided pursuant to the 2015 Joint Collective Bargaining Agreement (“JCBA”) or any other program currently provided by the Company. Moreover, the time period to apply for the below EVLOA shall be limited.

The parties agree that upon the execution of this LOA, the Company will offer eligible Passenger Service Employees the opportunity to elect to participate in the EVLOA. The parties agree that the EVLOA will be subject to the following terms and conditions:

**Eligibility**

1. Absent exceptions required by law, Passenger Service Employees that are in an “active status,” as determined by the Company, as of July 15, 2020 shall be eligible to bid for EVLOAs. “Active status” for the purpose of this program is defined as a team member on payroll receiving pay from the Company, such as paid sick/vacation, salary continuance, as well as a previously offered PVLOA or VLOA, or FMLA.
2. Passenger Service Employees will bid for EVLOAs in 15, 18, or 24-month durations. The Company will determine the total number of EVLOAs, as well as the groups, classifications, and locations where the EVLOAs will be offered. EVLOAs will be awarded by Passenger Service seniority order within groups, classifications, and by location where the EVLOAs are offered. The starting dates of the EVLOAs will be determined by the Company (“Start Date”).

3. Once granted, the EVLOA must be accepted by the Passenger Service Employee. Based on operational needs, the Company may cancel or reduce the duration of the EVLOA, by location, with fourteen (14) days' notice for Reservations Group employees, and thirty (30) days' notice for all other Passenger Service Employees. Such notice shall be provided to the Union and the impacted Passenger Service Employee(s). If the Company cancels or reduces an EVLOA(s), the Company will seek volunteers to return to work in seniority order within location, and then if necessary, Passenger Service Employee(s) will be brought back to work in reverse seniority order by location.
4. For the duration of the EVLOA, a Passenger Service Employee on such leave shall be paid a portion of their base pay in accordance with the chart below at her/his currently-applicable JCBA hourly pay rate. The pay rate will remain the same throughout the duration of the leave.

<i>Step of Pay Scale</i>	<i>Weekly Pay (FT/PT)</i>
Steps 1 through 5	None
Step 6 up to but not including TOS	10% of guaranteed hours (4/2)
TOS	35% of guaranteed hours (14/7)

Payments shall be made at successive payroll periods following the starting date of the employee's EVLOA. "Base pay" does not include overtime, premiums, or any other pay over and above the respective Passenger Service Employee's straight time hourly pay rate. Payments will be less applicable deductions and withholdings.

5. A Passenger Service Employee on an EVLOA shall be treated as if on active status for all Passenger Service, Date of Hire, and Pay Date seniority. A probationary Passenger Service Employee on an EVLOA shall have their probationary period extended by the number of work days required to complete the probationary period upon the employee's return from an EVLOA.
6. Passenger Service Employees on an EVLOA will not continue to accrue sick or vacation time. Rather, sick and vacation time will be frozen and remain available upon expiration of the EVLOA.
7. A Passenger Service Employee on an EVLOA shall continue to be eligible for non-revenue travel privileges provided to active team members consistent with Company policy.
8. A Passenger Service Employee on an EVLOA shall be eligible for medical, dental & vision coverage, life insurance or AD&D benefits, at active status Passenger Service Employee rates. During this time period, the Passenger Service Employee will be responsible for payment of the employee portion of all premiums, which will be payroll deducted. A Passenger Service Employee's failure to make timely premium payments may result in the loss of coverage, subject to the Company's regular premium collection process.

9. If the Company receives a request for information from a state or local agency with responsibility for unemployment compensation claims, the Company will respond by providing factually accurate information regarding a Passenger Service Employee's status. However, the Company will not actively contest a Passenger Service Employee's claim for unemployment compensation benefits.
10. The rolling active 12-month period for events and corrective action pursuant to the Passenger Service Employee Attendance & Performance Policy shall be tolled for the duration of the EVLOA for all Passenger Service Employees on such a leave (i.e., upon return, the remainder of the rolling active 12-month period for a Passenger Service Employee's events and corrective action will continue to run as if no such leave had occurred).
11. The Company may offer additional EVLOAs and/or grant voluntary extensions of such leaves consistent with the terms of the Letter.


#### **Options for Passenger Service Employees Currently on PVLOA**

12. Passenger Service Employees currently on a PVLOA that does not expire on or before the EVLOA Start Date, may elect one of the following:
  - a. Convert his/her PVLOA to an EVLOA as of the Start Date, and avail themselves of the EVLOA benefits and considerations beginning as of that Start Date; **OR**
  - b. Request to have the new EVLOA begin at the end of his/her current PVLOA term, subject to the benefits and considerations associated with each during the respective applicable period.
  - c. Note: The benefits of the PVLOA will end upon commencement of the EVLOA (pursuant to the Passenger Service Employee's election). In no circumstance will a PVLOA and an EVLOA overlap or be paid cumulatively.


This is a one-time limited agreement, shall not constitute precedent in any other case, and shall not be used or cited as such in any arbitration, hearing or negotiation, except for the purposes of its enforcement. Furthermore, this LOA does not change, alter, or modify the provisions of the JCBA, except as expressly provided herein, or the application of Company policy. Any disputes which arise between the parties in regard to the interpretation and/or application of this LOA shall be subject to the grievance and arbitration provisions in Articles 25 and 26 of the JCBA.

In addition, the terms or existence of the LOA will not be construed against any party nor will it prejudice the parties' respective positions for purposes of any other matter. If the CWA-IBT Association agrees, please confirm by signing below.


Sincerely,

  
Lynn B. Vaughn  
Managing Director – Labor Relations  
American Airlines, Inc.

Agreed to, on Behalf of the CWA-IBT Association:

  
Marge Krueger  
Administrative Director  
Communication Workers of America

7/14/20  
Date

  
Kimberly Barboro  
National Coordinator  
International Brotherhood of Teamsters, Local 104

7-14-20  
Date