

ARTICLE 16 - REDUCTION IN FORCE

A. LEAVES IN LIEU OF LAYOFF

Prior to a reduction in force, the Company will, to the extent possible, make leaves of absence available to Flight Attendants who are not subject to furlough. Leaves granted under this paragraph A. shall not result in the involuntary transfer of any Flight Attendant.

1. Upon proper application to the Company, leaves of absence shall be granted in order of seniority for a period of not less than ninety (90) days and may be renewed in increments of not less than ninety (90) days. Leaves of absence, once granted, must be accepted.

2. Due to the requirements of the service, the Company may cancel leaves of absence granted under this provision at any time prior to the expiration date of such leave.

3. A Flight Attendant who has been granted such leave of absence shall file, in writing, her/his address with the Local Flight Service Base Manager.

4. Notice to cancel leaves of absence shall be sent by 2-day delivery service to the last address on file with American Airlines Flight Service Department. A Flight Attendant shall not be entitled to employment and shall forfeit her/his seniority with the Company if:

a. S/he rejects, in writing, her/his intention to return to the service or;

b. S/he does not signify, in writing, her/his intention to accept or reject employment within ten (10) days after receipt of notice or;

c. S/he does not return to the service of the Company on the date specified in the notice of termination of the leave of absence, which date shall not be less than fifteen (15) days after receipt of such notice.

5. Seniority Accrual

a. A Flight Attendant on an Overage Leave will accrue Occupational Seniority and maintain all pass privileges applicable to active employees. In addition s/he shall accrue Company seniority for the first ninety (90) days of such overage leave.¹

b. A Flight Attendant on an Overage Leave will not accrue Classification seniority.

6. Flight Attendants granted a leave of absence for this purpose will have the option to maintain health benefits by assuming the Company's applicable portion of the cost in addition to the applicable employee contributions.

7. The provisions of Article 35-Group Life Benefits and Article 36-Retirement Benefit Plan shall apply to a leave granted under this paragraph.

8. The number of leaves granted at a base station shall be determined by the Company. The Company shall notify APFA of the number of leaves granted at each base.

9. Priority will be given to leaves in lieu of layoff, other leave policies of the Company notwithstanding.

B. FURLOUGH PROCEDURES/NOTICE

1. **Furlough Procedures.** When there is a reduction in force, the Flight Attendant(s) with the least system seniority shall be laid off.

2. Furlough Notice. A Flight Attendant laid off due to a reduction in force will be given four (4) weeks notice of such layoff, except in emergencies.

C. SURPLUS/SHORTAGE AND RELOCATION

1. If, as a result of the furlough of junior Flight Attendants at a base station, there exists a shortage of Flight Attendants at that base, the following transfer procedures shall apply:

a. Flight Attendants at a base station(s) where a surplus exists who have a request to transfer on file to the base(s) with a shortage will have her/his request honored in order of seniority, notwithstanding a request on file by a more senior Flight Attendant at a base without a surplus.

b. Remaining vacancies at the base(s) with a shortage will be filled by honoring the written preferences of the remaining junior Flight Attendants at the base(s) with an overage in order of seniority, notwithstanding a request on file by a more senior Flight Attendant at a base without a surplus.

c. When no Flight Attendants or not enough Flight Attendants have indicated written preference for assignment to a base(s) where a shortage exists, assignment will be made in reverse order of seniority from the base(s) where there is a surplus.

2. A Flight Attendant subject to transfer or assignment under paragraphs C.1.a., b. or c. of this Article will be given two (2) weeks' notice of such transfer or assignment except in an emergency.

3. Flight Attendants subject to assignment under paragraphs C.1.b. and c. above will not be allowed to refuse such assignment.

4. Only those Flight Attendants accepting assignment under paragraphs C.1.a., b. and c. above shall be covered under the provisions of Article 18-Moving Expenses for purposes of this Article only.

5. A Flight Attendant on leave of absence whose seniority is such that s/he would have been furloughed had s/he not been on leave of absence shall be promptly notified that her/his rights under the Agreement have been changed to those of a furloughed Flight Attendant.

6. Thirty (30) days prior to a planned reduction in force, the Company will notify the President of APFA of the approximate number of Flight Attendants to be affected by the reduction in force and forward to the President of APFA a list of Flight Attendants who may be subject to layoff.

7. At the completion of the reduction in force, the Company will notify the President of APFA of the bases from which flight Attendants were laid off, under paragraph B.1.; bases from which Flight Attendants were transferred or assigned under paragraph C.1.a., b., or c. and bases to which they were transferred or assigned and forward a list of Flight Attendants affected by the layoff, transfer or assignment.

D. RECALL RIGHTS

A Flight Attendant who is laid off under paragraphs B. and C.4. above shall be placed on the Flight Attendant System Recall List, and hereafter her/his reemployment shall be governed by this paragraph D.

1. A Flight Attendant who has been laid off due to a reduction in force shall file, in writing, her/his address with the Manager Flight Service Administration, American Airlines, Inc., Mail Drop 1604, P.O. Box 619616, Dallas/Fort Worth Airport, Texas 75261-9616, of any change in address.

2. In the application of this paragraph D., furloughed Flight Attendants shall be reemployed in order of system seniority. When a furloughed Flight Attendant is recalled and placed on active Flight Attendant status with the Company, s/he shall have no prior right or claim to any vacancy or vacancies that have been filled during the period of such furlough. After return from furlough, a Flight Attendant at the first transfer opening, and on a one time basis, may return to the base from which s/he was furloughed. An International Flight Attendant may return to the adjacent domestic base.

3. a. Flight Attendants assigned from a base(s) where a surplus existed to a base(s) where a shortage existed under paragraph C.1.b. or c. above shall have reinstatement rights to her/his former base station prior to filling of vacancies at that base under the provisions of Article 12 or recalling furloughed Flight Attendants under paragraph D.2. of this Article.

b. A Flight Attendant who rejects reinstatement to her/his former base station shall forfeit all reinstatement rights to such base.

4. Notice of reemployment under paragraph D.2. shall be sent by 2-day delivery service to the last address on file with the Manager Flight Service Administration. A Flight Attendant shall not be entitled to preference in reemployment and shall forfeit her/his seniority with the Company if:

a. S/he rejects, in writing, reemployment;

b. S/he does not signify, in writing, her/his intention to accept or reject reemployment within ten (10) days after the post date of notice, or;

c. S/he does not return to the service of the Company on the date specified in the notice offering reemployment, which date shall be not less than twenty-one (21) days after the post date of such notice.

5. A Flight Attendant laid off because of reduction in force and who has completed her/his probationary period shall continue to accrue seniority during such layoff for a period not to exceed five (5) years.

6. a. Seniority and preference in reemployment if furloughed under paragraph B.1. of this Article shall be forfeited unless reemployed within five (5) years of layoff. Length of service credit for pay purposes shall not accrue during any period of layoff.

b. Reinstatement to a former base if assigned under paragraph C.1.b. and c. of this Article shall be forfeited unless reinstated to her/his former base within five (5) years of assignment.

E. PRIOR SERVICE CREDIT AFTER LAYOFF

A Flight Attendant who has been laid off, including a Flight Attendant laid off during her/his probationary period, and who is subsequently reemployed by the Company within five (5) years of date of layoff, shall be given credit for prior service for all purposes.

F. TRANSFER TRANSPORTATION

If a Flight Attendant changes her/his base station under C.1.a., b. or c. above, the Company shall furnish him/her space available transportation to such new base.

G. RIGHT TO FILE REQUEST FOR TRANSFER

Flight Attendants reemployed under paragraph D. above may file a Request for Transfer in accordance with the provisions of Article 12 - Filling Of Vacancies of this Agreement.

H. PREFERENCE IN RECALL/REEMPLOYMENT/REINSTATEMENT

The provisions of Article 12.C.2. shall not be invoked until all Flight Attendants on layoff/ furlough are offered reemployment, Flight Attendants on leaves of absence as provided in this Article are offered recall, and Flight Attendants who were assigned to a base with a shortage under paragraph C.1.b. or c. are offered reinstatement and have exercised their rights as provided by this Article 16.

I. ARTICLE 17- EMPLOYEES

A Flight Attendant holding a position with the Company under the provisions of Article 17 and whose seniority is such that s/he would have been furloughed had s/he not been in such position, shall not be permitted to exercise her/his rights to return to line flight status at any base so long as there are Flight Attendants senior to this employee holding recall, reinstatement or reemployment rights under the provisions of this Article 16.

J. EMERGENCY

"Emergency", as used in this Article 16, shall include but not be limited to such reasons as an act of God, a national emergency, revocation of the Company's operating certificate or certificates, grounding of a substantial number of the Company's aircraft, any strike or picketing causing a temporary cessation of work.