

SETTLEMENT AGREEMENT
between
AMERICAN AIRLINES, INC.
and the
ASSOCIATION OF PROFESSIONAL FLIGHT ATTENDANTS

In settlement of Presidential Grievance No. SS-132-2017-APFA-3 (the "Presidential Grievance"), American Airlines, Inc. ("Company") and the Association of Professional Flight Attendants ("APFA"), including all flight attendants in any way affected by any of the issues encompassed with the Presidential Grievance, agree to the following resolution:

1. WHEREAS, American and APFA are parties to a joint collective bargaining agreement, covering the employees identified therein ("the JCBA"); and
2. WHEREAS, on or about December 22, 2017, APFA filed the Presidential Grievance, alleging that the Company violated Sections 10, 11, 16 and other related sections of the JCBA, as well as Sections 10, 11, 16 and other related sections of the 2013 collective bargaining agreement between US Airways, Inc. and the Association of Flight Attendants ("2013 Agreement"), by deducting canceled segments from the pay protections agreed to in the event of a reschedule; and
3. WHEREAS, American disputes APFA's position with respect to the Presidential Grievance; and
5. WHEREAS, American and APFA mutually desire to settle and resolve their differences relative to the allegations raised by the Presidential Grievance, without any further proceedings, and
6. NOW, THEREFORE, the parties to this Agreement agree to the following series of mutual covenants, undertakings and understandings as a compromise and settlement of their disputes and controversies relating to the Presidential Grievance:
 - A. The parties agree that the pay protections for rescheduling contained in Section 10.J.9 of the 2013 Agreement and 10.J.10 of the JCBA include payment for canceled segments up to the pay value of the originally awarded or assigned pairing ("Canceled Segments").
 - B. The Company agrees to pay the list of attached outstanding Notices of Disputes filed by individual flight attendants between September 2016 and

June 2018, concerning pay protections for Canceled Segments during a reschedule.

- C. Effective July 1, 2018, the Company shall pay legacy US Airways ("LUS") flight attendants for Canceled Segments consistent with Paragraph 6.A of this Agreement.
 - D. Effective July 1, 2018, the Company shall pay legacy American Airlines ("LAA") flight attendants for Canceled Segments consistent with Paragraph 6.A of this Agreement as follows:
 - i. The Company shall continue to pay Canceled Segments using the current automated process through July 31, 2018.
 - ii. On August 1, 2018, Canceled Segments for LAA flight attendants will no longer be paid through the automated process in conjunction with the implementation of phase 2 of the JCBA pay protection. The Company will establish a manual process to pay Canceled Segments, no later than October 1, 2018.
 - iii. For Canceled Segments occurring in August and September 2018, the Company shall pay LAA flight attendants as soon as possible but in no case later than December 31, 2018.
7. APFA, by and on behalf of all employees encompassed within the Presidential Grievance, agrees to withdraw Presidential Grievance SS-132-2017-APFA-3 with prejudice, and to waive and forever forgo, the claims raised by the Presidential Grievance, as well as any related claims, including the attached list of Notices of Dispute, provided that APFA is in no way waiving its right to file a grievance or pursue other action to enforce the terms of this Agreement;
8. APFA on behalf of itself and all employees of American that it represents, waive and release American, and all its/their past, present, former and/or future shareholders, officers, directors, employees, agents, divisions, subsidiaries, predecessors, successors, parent and/or related companies, affiliates, administrators, trustees, executors, fiduciaries and assigns and insurers from any and all claims that they or it have/has, had or may have, known or unknown, relating to or arising out of the events on which Presidential Grievance SS-132-2017-APFA-3 was based, including the attached list of Notices of Disputes, whether arising under the Railway Labor Act, the collective bargaining agreement, federal, state or local laws, rules, regulations or ordinances;
9. This Agreement does not constitute an admission of any kind by American or APFA, but rather is simply being entered into to avoid the expense and

uncertainty of litigating the Presidential Grievance.

10. The parties acknowledge and agree that, by entering into this Agreement, neither party is waiving any of their respective positions and arguments with respect to the issue(s) raised and/or encompassed by the Presidential Grievance.
11. It is understood that this Agreement does not, as to any other grievances or disputes, in any way prejudice American's rights to assert and argue all defenses as American sees fit.
12. This Agreement is made on a non-precedent and non-referable basis and shall not be considered evidence of a practice relative to the interpretation or application of the JCBA or Company policy. Neither party will raise or otherwise make reference to the terms of this Agreement in any other grievance proceeding, hearing, or adjudication, except insofar as reasonable necessary to enforce the terms herein.
12. The parties agree that this Agreement constitutes the complete agreement between the parties concerning the settlement of the Presidential Grievance, and that no other representations or promises have been made by American in that regard.
13. This Agreement may not be modified in any manner except in a writing signed by both of the parties.



Cindi Simone
Managing Director, Labor Relations

For American

Dated this 25th of June, 2018.



Nena Martin
National President, Association of
Professional Flight Attendants

For APFA

Dated this 25th of June, 2018.