

March 24, 2020

Lori Bassani, National President Association of Professional Flight Attendants 1004 West Euless Boulevard Euless, TX 76040-5018

RE: Lineholder Pay Protection Exception for March 2020 (non-IPD sequences) & April 2020

Dear Lori:

This letter will confirm our agreement regarding a pay protection exception for lineholder Flight Attendants for March 2020 (March 2 – 31, 2020) and April 2020 (April 1 – May 1, 2020). As a result of the extraordinary number of flight cancellations related to COVID-19, the Company will make a one-time exception to Section 10 of the 2014 AA/APFA Joint Collective Bargaining Agreement (JCBA) and offer pay protection to Affected Flight Attendants as follows:

- 1. "Affected Flight Attendant" under this agreement is a lineholder Flight Attendant who has a flight(s) or a full sequence cancellation(s) resulting in a loss of time from the scheduled sequence value during the contractual month of March 2020 (non-IPD sequences) and April 2020.
- The terms of this agreement provide the pay protection provisions for the bid month of March (non-IPD sequences) and April 2020. In addition to these terms, however, Section 10.J.9-11, 10.K. and 10.L. shall also apply. No other pay protections will apply for the bid months of March (non-IPD sequences) and April 2020.

March 2020 (non-IPD sequences) (March 2 – 31, 2020)

- 3. March 2020 (non-IPD sequences) will apply the same protections as outlined below for April 2020 and the Company will make every effort to pay the March 2020 protections as soon as practicable.
- 4. March 2020 IPD sequence cancellations will continue to be handled in accordance with the procedures outlined in the March 12, 2020 letter of agreement.

April 2020 (April 1 – May 1, 2020)

5. A Flight Attendant will have an April guarantee (up to a maximum of 75:00) based on the value of the PBS original line value:



PBS Original Line Value	April Guarantee	
<u>></u> 75:00	75:00	
<u>></u> 71:00 − 74:59	71:00	
<71:00	PBS Original Line Value minus 5:00	

- This pay protection exception is a line protection for lineholders and does not include premiums. The final protected amount will be calculated during monthly closeout for April 2020 by comparing the Pay Projection (PPROJ)* including all trips flown (ETB, TTS, UBL, PBS), carryover time, vacation time, paid sick, etc.;
 - a. If PPROJ is greater than April guarantee, no action needed
 - b. If PPROJ is less than April guarantee, add the value of lost time (scheduled vs. actual sequence value) due to cancelled flight(s) within a sequence and full sequence cancellation(s) in an amount up to, but not exceeding April guarantee

* Any applicable Voluntary Extension (VE) and/or Red Flag Pay is paid separately and are not part of the comparison to the line value.

Example 1:

FA was awarded a PBS original line value of 80:00 and end of month projection of 68:00. The April guarantee was 75:00. FA's actual line includes a 9:00 loss of time due to flight cancellations. FA is paid the difference between the end of month projection of 68:00 and the April guarantee of 75:00, so 7:00 of the 9:00 loss of sequence value is applied to bring the FA to the 75:00 April guarantee.

PBS Original	April	End of Month	Loss of Sequence	Actual Pay
Line Value	Guarantee	Projection	Value Due to CXLD	Protection
80:00	75:00	68:00	9:00	7:00

Example 2:

FA was awarded a PBS original line value of 80:00. The April guarantee was 75:00. FA's actual line includes a 15:00 loss of time due to flight cancellations. FA also dropped 2 trips worth 40:00. FA is paid the end of month projection of 25:00 plus the 15:00 loss of sequence value to bring the FA to 40:00 for the month.

PBS Original	April	End of Month	Loss of Sequence	Actual Pay
Line Value	Guarantee	Projection	Value Due to CXLD	Protection
80:00	75:00	25:00	15:00	15:00

Example 3:

FA was awarded a PBS original line value of 80:00. The April guarantee was 75:00. FA's entire month cancels. FA is paid the difference between the end of month projection of 00:00 and April guarantee of 75:00, so 75:00 of the loss of sequence value is applied to bring the FA to 75:00 for the month.



PBS Original	April	End of Month	Loss of Sequence	Actual Pay
Line Value	Guarantee	Projection	Value Due to CXLD	Protection
80:00	75:00	00:00	80:00	

Example 4:

FA was awarded a PBS original line value of 55:00. The April guarantee was 50:00. FA has 15:00 loss of time due to flight cancellations. FA is paid the difference between the end of month projection of 40:00 and April guarantee of 50:00, so 10:00 of the loss of sequence value is applied to bring the FA to 50:00 for the month.

PBS Original	April	End of Month	Loss of Sequence	Actual Pay
Line Value	Guarantee	Projection	Value Due to CXLD	Protection
55:00	50:00	40:00	15:00	10:00

Flight Attendant requirements for March (non-IPD) and April pay protection

7. There is no obligation to recover lost time and no Direct Connect required by the Flight Attendant to receive this pay protection.

APFA agrees to the following:

- 8. APFA agrees to a delayed opening for the TTS/ETB bidding process for April 2020.
- 9. APFA agrees to not file or move to arbitration any disputes regarding March (including March IPD) and/or April 2020 pay protections or bidding timelines related to this agreement, except any dispute to enforce this agreement.
- 10. APFA agrees the Company can use mass CCI notifications for schedule changes, including cancellations during the months of March and April 2020.
- 11. APFA agrees to allow the Company to adjust the May 2020 PBS bidding window as needed.

This agreement is non-precedent setting and non-referable. Also, it is understood that the provisions of the 2014 AA/APFA Joint Collective Bargaining Agreement, except as specifically modified or excepted by this letter, shall apply in all respects.



Sincerely,

Cindi Simone Managing Director Labor Relations

Agreed to by:

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Date 03/24/2020

Lori Bassani, National President Association of Professional Flight Attendants

cc: Jill Surdek JC Gulbranson Sam Mendenhall Liz Geiss Vince Heyer

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