

Protecting your pay in March and April

March 25, 2020

All APFA-represented flight attendants

In light of the extraordinary circumstances we're facing with flight cancelations, we're pleased to have reached an agreement with APFA intended to ensure you're protected when it comes to a sizeable amount of your pay in both March and April. This agreement is above and beyond what's required by the contract and we felt it was the right thing to do because of the challenges faced by our airline and industry.

Here are the highlights

- All IPD trips which originate (d) in March will be covered under the previous March 12, 2020 letter of agreement. IPD trips originating in April will be covered under this new agreement.
- For March and April, you'll have a monthly guarantee based on the *original* line value of your PBS award.

Here's how it'll work

 At the beginning of the month, we'll look at your original PBS line value and will establish a guarantee according the chart below:

If your PBS original line value was	Your monthly guarantee will be
<u>></u> 75:00	75:00
<u>></u> 71:00 − 74:59	71:00
<71:00	PBS Original Line Value minus 5:00

- Throughout the month, if you have full sequence cancellations or cancellations within a sequence flown, which results in a loss of time from the originally awarded sequence value, we will track that time. However, for March, IPD sequences will be excluded (see examples 5 7 below).
- At the end of the month, if because of flight cancellations, your pay projection (PPROJ*) ends up being less than your monthly guarantee (as noted above in the

chart), you'll be protected for these cancellations in a value up to your monthly guarantee noted in the right column of the chart.

This protected time will not include premiums.

*PPROJ includes all trips flown (ETB, TTS, UBL, PBS), carryover time, location delay (14.M.7), vacation time, paid sick, etc. Items not included in the PPROJ comparison: voluntary extension (VE) and/or Red Flag pay (50%).

April examples

Example 1 - Cancellations

You were awarded a PBS original line value of 80:00 and your end of month projection of 68:00. Your April guarantee is 75:00. Your line includes a 12:00 loss of time due to flight cancellations. You'll be paid the difference between your end of month projection of 68:00 and your April guarantee of 75:00, so you're protected for 7:00 of the 12:00 loss which brings you up 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	12:00	

Example 2 – Cancellations and trip drops

You were awarded a PBS original line value of 80:00. Your April guarantee is 75:00. You dropped 2 trips worth 40:00. Your line includes a 15:00 loss of time due to flight cancellations. You'll be paid your 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	
Line Value	Guarantee	Projection	Value Due to CXLD	
80:00	75:00	25:00	15:00	15:00

Example 3 – Full month loss

You were awarded a PBS original line value of 80:00. Your April guarantee is 75:00. Your entire month cancels. You'll be paid the difference between the end of month projection of 00:00 and your April guarantee of 75:00. This means you're covered for 75:00 of the 80:00 hours you lost.

PBS Original Line Value	April Guarantee	A COLUMN TO A STATE OF THE PROPERTY OF THE PARTY OF THE P	Loss of Sequence Value Due to CXLD	Commence of the Commence of th
80:00	75:00	00:00	80:00	75:00

Example 4 – Low time award

You were awarded a PBS original line value of 55:00. Your April guarantee is 50:00. You have a 15:00 loss of time due to flight cancellations. You'll be paid the difference between

your end of month projection of 40:00 and your April guarantee of 50:00. This means you're covered for 10:00 of the 15:00 you lost.

PBS Original	April	End of Month	Loss of Sequence	CONTRACTOR OF THE PROPERTY.
Line Value	Guarantee	Projection	Value Due to CXLD	
55:00	50:00	40:00	15:00	10:00

March examples

Example 5 - March schedule with cancelled IPD sequence and protected

You were awarded a PBS original line value of 85:00. Your March guarantee is 75:00. You have a 25:00 loss of time due to an IPD flight cancellation. You fulfilled your obligation for IPD sequence protection and were paid the protected hours. Since your end of month projection is greater than March guarantee, no additional protection due.

PBS Original Line Value	March Guarantee	End of Month Projection	Loss of Sequence Value Due to CXLD	Actual Pay Protection
85:00	75:00	85:00	0:00	0:00

Example 6 - March schedule with cancelled IPD sequence and protected

You were awarded a PBS original line value of 85:00. Your March guarantee is 75:00. You have a 25:00 loss of time due to an IPD flight cancellation and 15:00 due to an NIPD cancellation. You fulfilled your obligation for IPD sequence protection and were paid the 25:00 protected hours. Since your end of month projection is less than the guarantee, you will be protected for 5:00 for a total of 75:00 for the month.

PBS Original	March	End of Month	Loss of	Actual Pay
Line Value	Guarantee	Projection	Sequence Value Due to CXLD	Protection
85:00	75:00	70:00	15:00	5:00

Example 7 – March schedule with cancelled IPD sequence and not protected

You were awarded a PBS original line value of 85:00. Your March guarantee is 75:00. You have a 25:00 loss of time due to an IPD flight cancellation and a 15:00 loss of time due to an NIPD cancellation. You did not fulfill your obligation for IPD sequence protection and were not paid the 25:00 protected hours and will not be added to the loss of sequence value column below, since it was covered under the 3/12/2020 letter of agreement. Since

your end of month projection is less than the guarantee, you will be protected for 15:00 for a total of 60:00 for the month.

PBS Original Line Value	March Guarantee	End of Month Projection	Loss of Sequence Value Due to CXLD	Actual Pay Protection
85:00	75:00	45:00	15:00	15:00

Other key points

- In addition to the monthly protection described above, the normal pay protections in Section 10.J.9-11, 10.K. and 10.L. also apply and are already included in the end of the month projection.
- With the exception of IPD sequence cancellations in March, which are covered by a separate agreement, you have no obligation to recover lost time or submit a DirectConnect claim.
- *March* pay protection as described in this communication will be paid as soon as practicable. (This will be a manual process.)
- *April* pay protection as described in this communication is expected to be paid in the normal pay cycle.

Melanie Rennels Manager, Contract Administration – Flight Service Melanie.Rennels@aa.com