

**Article 12 Reductions in Force**

A. Reductions in force will be based on Passenger Service Seniority within the affected employees' group. Notice of staffing reductions will be given to the Association and to affected employees at least thirty (30) calendar days prior to the effective date or ten (10) days pay to affected employees in lieu thereof. Should the reduction trigger the requirements of a WARN notice, company email addresses and mailing addresses of affected employees, on file with the Company, shall be given to the Association along with copies of the WARN notices. The company's agreement to furnish such information is not intended and does not in any way change/modify the parties' respective obligations under federal or state WARN laws. However, such notice requirements may be waived as a result of a circumstance over which the Company does not have control. The term "circumstance over which the Company does not have control" includes, without limitation: an act of terrorism; a natural disaster; a national emergency; an act of God; war emergency; reduction in flying operations because of suppliers being unable to provide sufficient critical materials for the Company's operations; revocation of the Company's operating certificate; a grounding of Company aircraft; labor dispute; or any strike or picketing.

At the time the Company provides displacement packets to affected employees, the Company will provide to the Association Director and the Association Vice-Director, or their designees, a copy of a displacement packet for each affected group. The displacement packet will include, but not be limited to, a listing of all available vacancies systemwide, which shall include probationary positions in effect at the time of displacement and positions offered to prospective employees.

**B. System Displacements:**

1. As part of the system displacement process resulting from a reduction in force, the Company will offer voluntary furlough requests as provided for in Article 13 of this Agreement.
2. Full-time employees: Displaced full-time employees who have completed their probationary periods will:
  - a. be permitted to bid, in seniority order, available full-time or part-time vacancies within the group provided they are qualified for such vacancy at the time of the announced reduction, including vacancies that would be made available by employees who are awarded voluntary furlough, and including positions held by employees who have not completed their probationary periods or positions offered to prospective employees; or
  - b. if there are insufficient full-time vacancies within their group, be permitted, to displace, in seniority order, the most junior full-time employees in their group in the system provided they are qualified for such position at the time of the announced reduction; or
  - c. be permitted to bid, in seniority order, available part-time vacancies within their group at their location provided they are qualified for such position at the time of the announced reduction; or

## Tentative Agreement

- d. if there are insufficient part-time vacancies within their group at their location, be permitted to displace the most junior part-time employee within their group at their location provided they have more seniority than the part-time employee and are qualified for such position at the time of the announced reduction; or
- e. accept furlough.
- f. JFK and LGA shall be deemed as co-terminals and will use a combined seniority list for furlough purposes.

Example: Due to a BDL local reduction, a full-time CSA is displaced. The CSA lists on their "Displacement Bid Form", in priority order, those locations to which they are willing to displace: (1) MCO, (2) TPA, (3) CLT, (4) BDL part-time, and (5) PHL. If MCO, TPA, and CLT are not available as full-time at the time their displacement notice is processed (due to the junior employee in the system not being in those locations), then the CSA would be awarded BDL part-time, provided they possessed sufficient seniority. Finally, if the CSA did not have sufficient seniority to hold a part-time position in BDL, they would be awarded PHL full-time (if that were where the junior employee in the system at the time of their displacement existed) or be awarded furlough, if PHL was not available.

- 3. Part-time employees: Displaced part-time employees who have completed their probationary periods will:
  - a. be permitted to bid, in seniority order, for available part-time vacancies in their group for which they are qualified at the time of the announced reduction, including required part-time vacancies that would be made available by employees who are awarded voluntary furlough, and including positions held by part-time employees who have not completed their probationary periods or positions offered to prospective employees; or
  - b. if there are insufficient part-time vacancies within their group, be permitted, to displace, in seniority order, the most junior part-time employees in their group in the system provided they are qualified for such position at the time of the announced reduction; or
  - c. accept furlough.
  - d. JFK and LGA shall be deemed as co-terminals and will use a combined seniority list for furlough purposes.
- 4. Furloughed and displaced employees are immediately eligible to submit bids for any system or in-station vacancy except that:
  - a. displaced employees who are awarded positions at other locations and who refuse the award will be placed on furlough and will not be eligible for furlough allowance. Such employees will not be offered a system transfer request to any location for a period of one (1) year from the date

## Tentative Agreement

of furlough. (The Company will lift this one (1) year restriction when filling a vacancy when there are no other Passenger Service bids on file for that location);

- b. furloughed employees will be prohibited from submitting system transfers for a period of six (6) months from the effective date of their furlough to any location where available vacancies were offered, but where the employee failed to bid during the displacement process. These employees are eligible to submit bids for system transfers for all other locations; and
  - c. affected employees who have been on an unpaid leave status for more than one (1) year at the time of the displacement will remain on their leave status and will not participate in the system displacement. If these employees do not have sufficient seniority to hold their previous position when they are able to return to work, they will then be afforded the system displacement options outlined in this Article.
5. Employees may list a displacement bid for any location where there are employees in their group.
  6. In the event that a system displacement results in a CSC, LPCSR or PCSC vacancy or results in a vacancy that requires special skills (e.g., foreign language qualification), the vacancy will: first be offered in seniority order to employees in the location, group, and status who are qualified for such position at the time of the announced reduction; and if no qualified employee accepts the position, the displacement of the senior-most affected CSC, LPCSR or PCSC or other special skills employee will be rescinded.

### C. Location Workforce Realignment:

After the system displacement process described above in Paragraph B, if a reduction in force results in a need for a realignment of the existing work force between duty assignments, the following will apply:

1. the Company will process in-station transfer requests on file for identified vacancies;
2. where there are insufficient in-station transfer requests on file, the Company will solicit volunteers from the affected duty assignment for five (5) days; if there are more volunteers for transfer than identified vacancies after the conclusion of the five (5) day solicitation period, transfers shall be granted in seniority order; and
3. where there are insufficient volunteers, affected employees will be permitted to bid, in seniority order, for available duty assignments within their location and status.
4. Employees will only be eligible for transfer to positions in the same status and classification.

- D. Reference to "probationary period" in this Article shall be probation as defined in Article 22 of this Agreement.

## Tentative Agreement

- E. Full-time employees affected by a reduction in force who displace to a full-time position in a different geographic location will be provided a paid move in accordance with the guidelines attached to this Article. Employees affected by a reduction in force who displace to a part-time position in a different geographic location will not receive any relocation benefits except for one (1) one way positive space pass for travel by the employee, and if any, the employee's spouse, domestic partner and dependent children, to the new location to be used within sixty (60) days of their report date.
- F. For the purposes of this Article, an employee shall be deemed "qualified" for a position when, in addition to any other qualifications required by this Agreement, they have, prior to the notice of a reduction in force, achieved a passing score in any interview provided for in this Agreement.

### Relocation Guidelines

- A. American offers relocation assistance to non-management employees who relocate as a result of a **reduction-in-force (RIF)**.
- B. In general, this includes:
  - 1) one (1) move per family, using the Company's authorized van line;
  - 2) shipment of household goods;
  - 3) paid storage at the employee's new location for up to sixty (60) days;
  - 4) insurance on shipped goods; and
  - 5) packing, loading, delivery, and unloading.
- C. It is important to note:
  - 1) all relocations must meet the IRS -fifty (50) milel distance requirement (the distance from an employee's old work location to the employee's new work location must be at least fifty (50) miles greater than the distance from the employee's old residence to the employee's old work location).
  - 2) the Company provides relocation assistance only for moves from an employee's current work location. (If an employee or his family elects to live elsewhere, the employee's moving expenses will not be reimbursed.)
  - 3) all moves must be completed and expenses submitted for reimbursement within one (1) year.
  - 4) relocation is a qualified Life Event. Employees have the opportunity to change their benefit options and update their dependents. Refer to the [my.aa.com](http://my.aa.com) for details.
- D. Employees must complete the **relocation worksheet** with their personal information and return it to the address indicated. A detailed relocation -move letterl outlining all of the reimbursable expenses will be forwarded to the employee's manager. The Company will also notify the Company authorized van line, which will contact the employee directly to

## Tentative Agreement

arrange for surveying the employee's possessions and scheduling their move.

### E. Relocation Eligibility

In addition to the basic **relocation** provisions, employees accepting a **non-management** position as a result of a **reduction-in-force (RIF)** will receive the additional relocation assistance described below.

### F. House Hunting Expenses

Employees may be reimbursed for up to three hundred dollars (\$300) in house hunting expenses they incur prior to the effective date stated in their move letter and up to fourteen (14) days after the effective date. An employee must submit itemized receipts for reimbursement. Prior to his effective date, an employee will be covered for hotel expenses, meals, and rental car expenses (or mileage reimbursement, if the employee uses his own car). After an employee's effective date, he will be reimbursed for rental car expenses or mileage (for his own car).

### G. Miscellaneous Move Allowance

Employees will receive a six hundred dollar (\$600) miscellaneous move allowance, intended to help cover all incidental expenses not specifically covered by the herein guidelines. These additional expenses may include house hunting expenses that exceed the authorized amount above, temporary housing, rental cars while the employee's car is being shipped, utility connection fees, etc.

### H. Home Sale Expenses

Homeowners will be reimbursed up to six hundred dollars (\$600) for closing costs of selling their primary home.

### I. Shipping Cars

- 1) If an employee has used the Company authorized van line to ship his household and personal goods and the distance to his new location is greater than three hundred fifty (350) miles, the employee may either ship one (1) car and drive the second one if he has two (2) cars, or drive both cars. All shipping arrangements must be made by the Company authorized relocation company.
- 2) En route mileage is reimbursable at \$.245 per mile for automobile(s) driven on a direct route to an employee's new work location. Specific dates of travel and fuel receipts must be submitted to the Company to validate miles driven.

### J. Self-Moves

- 1) If an employee elects to move his belongings himself, rather than using the Company authorized van line, the Company will reimburse all reasonable expenses for relocating household and personal goods, up to fifty percent (50%) of the Company authorized van line's estimated cost.
- 2) These expenses may include:
  - a. truck or trailer rental (along with fuel, mileage charges, drop-off charges);
  - b. packing materials;
  - c. storage;

**Tentative Agreement**

- d. towing or shipping of automobiles;
- e. insurance;
- f. appliance servicing; and
- g. hired labor.

K. If an employee has any questions, he may contact the Company Relocation Coordinator.

**L. Travel for Relocation**

An employee, and if any, spouse or domestic partner and dependent children may use a reasonable number of trips at the employee's business classification for travel related to their relocation:

- 1) Two (2) round trips for househunting
- 2) One (1) round trip to make arrangement for shipping household goods
- 3) One (1) round trip to close on the sale of the employee's new location
- 4) One (1) one-way trip to report to the employer's new location


An employee must repay all applicable service charges if he exceed the number of business Passes allowed. If an employee elects to commute or his family plans on joining him at a later date, all travel to and from the employee's former location must be make using personal pass travel. Service charges will not be reimbursed under such circumstances.

**Tentative Agreement**

**For the Company:**


**For the Association**

  
\_\_\_\_\_  
**Lynn Vaughn**  
**Managing Director of Labor**

  
\_\_\_\_\_  
**Marg Fueger**  
**Co-Chair, CWA-IBT Association**

3/8/23  
\_\_\_\_\_  
**Date**

3/8/23  
\_\_\_\_\_  
**Date**

  
\_\_\_\_\_  
**Jerry Glass**

  
\_\_\_\_\_  
**Kimberly Barboro**

3/8/23  
\_\_\_\_\_  
**Date**

**Tentative Agreement**

**Co-Chair, CWA-IBT Association**

3-8-23

- -

---

**Date**