## **ARTICLE 3 - Recognition and Scope**

- A. In accordance with Certification Case No. R-7395 by the National Mediation Board, the CWA/IBT Association (the "Union" or "Association") is the representative union of the craft or class of Passenger Service employees ("Passenger Service").
- B. Each airport station is identified as either Class I or Class II for the purpose of applying this Agreement. Those airport stations are defined as follows:
  - 1. Class I stations shall be those stations that have greater than eighty-four (84) mainline (wherever the word "mainline" appears in this Agreement it shall mean American Airlines, Inc. jet aircraft) scheduled jet departures weekly.
  - 2. Class II stations shall be those stations that have eighty-four (84) or fewer mainline scheduled jet departures weekly.
  - 3. At Class I stations, Company managers may perform one (1) hour of passenger service work daily in the event an employee is not readily available. At Class II stations, Company managers may perform two (2) hours of passenger service work daily in the event an employee is not readily available. Passenger Service employees may be assigned and will perform other station work not covered by this Agreement as required by the Company.
- C. The initial determination of weekly mainline departures at each station for the purposes of Paragraph B above and Paragraphs D and E below will be based on the twelve (12) month weekly average of scheduled mainline jet departures calculated for the twelve (12) months preceding December 1<sup>st</sup> of each year immediately preceding the effective date of this Agreement.
- D. Except as provided in Paragraph F, aAt stations with more than thirty-five (35) weekly mainline departures within one (1) year after the effective date of this Agreement the Company shall insource the Passenger Service work as set forth in this Agreement to the extent not already insourced. Notwithstanding any other provision of this Agreement, The Company however may continue to outsource Passenger Service work at its discretion at McAllen airport (MFE) and at all stations (current or future) in Hawaii except Honolulu airport (HNL) regardless of the number of weekly mainline departures at such stations.
- E. Except as provided in Paragraph F, aAt stations with thirty-five (35) or fewer weekly mainline departures, the Company may outsource Passenger Service work at its discretion; provided, however, that the Company will not outsource any such station so long as at least one Passenger Service employee who is on the Passenger Service Seniority List (and not on furlough) at such station as of on the date of signing of this December 1, 2015 Agreement and who remains in active status at such station. When an employee meeting these requirements leaves such station for any reason, the Company may replace the employee with a vendor or another Passenger Service employee at its discretion. For purposes of this Paragraph, "active status" shall mean an employee who is working or on a leave for a period of less than six (6) months. An employee who is on any type of leave for six (6) months or more shall not be considered in active status for purposes of this Paragraph.
- F. Notwithstanding any other provision of this Agreement, for five (5) years from the Date of Signing, all insourced stations as of the day prior to the Date of Signing shall remain

insourced, and all outsourced stations as of the day prior to the Date of Signing shall remain outsourced, regardless of the number of weekly mainline departures. A new station added to Company service during this five (5) year period shall be treated as set forth in Paragraph 3.G.4, except that the initial designation of being insourced or outsourced shall not change during this five (5) year period.

Thereafter, Paragraphs D, E, G, and H, shall govern the insourcing or outsourcing of station work, except that, in each subsequent twelve (12) month period after the five (5) year status quo period in the paragraph above, the Company shall only be permitted to outsource the work of up to two (2) previously insourced stations, and the Company shall only be required to insource the work of up to two (2) previously outsourced stations. If the Company would be permitted to outsource the work of more than two (2) previously insourced stations or be required to insource the work of more than two (2) previously outsourced stations under Paragraphs D, E, G, and H, in any such twelve (12) month period, the Company in its discretion would determine the specific station(s) to insource and/or outsource. The remaining station(s) shall stay insourced or outsourced, and any change in the station(s) status shall be based on the schedule described in this Paragraph F and Paragraph G.3. On a yearly basis, the Company and the Association (Association Director and Co-Chair) shall review the insourcing or outsourcing of a station upon the request of either party.

- G. Following the initial determination of the number of weekly mainline departures, pursuant to Paragraph C above, a station's status for the purposes of Paragraphs B, D, E and F above can change as follows:
  - 1. If a Class I station's scheduled mainline weekly jet departures are reduced to a level of eighty-four (84) or fewer on an annualized basis, that station shall become a Class II station.
  - 2. If a Class II station's scheduled mainline weekly jet departures increase to greater than eighty-four (84) on an annualized basis, such station shall become a Class I station.
  - 3. Changes in station Class and changes in the number of weekly mainline departures for the purposes of this Article shall be based on a twelve (12) month weekly average, with the first average to be calculated one (1) year from the effective date of this Agreement, and others to be calculated every twelve (12) months thereafter.
  - 4. A new station added to Company service after the date of signing of this Agreement shall be treated as a Class II station until its station class is determined based on the schedule described in Paragraph G.3 above. For purposes of determining whether Paragraph E or Paragraph F above applies to a new station added after the date of signing of this Agreement, an initial determination shall be made based on the initial forecasted weekly mainline departures at the new station, which shall be applicable until a determination is made based on the schedule described in Paragraph G.3 above.

- 5. Any changes in a new station's status for the purposes of Paragraphs B, D and E above shall be based on a twelve (12) month weekly average, on the same schedule as described above in Paragraph F.3.
- H. Except as provided in Paragraph F, iIf and when a station with thirty-five (35) or fewer weekly mainline departures increases to more than thirty-five (35) or more weekly mainline departures as measured on the same schedule as described above in Paragraph FG.3, within one-hundred and eighty (180) days, the Company shall insource the work covered by this Agreement at such station to the extent it is not already insourced.
- I. Each Company Reservation Center facility is considered to be a separate location for the purposes of this Article. A center with multiple facilities or buildings will be considered a single location. All HBRs will be affiliated with a Company Reservation Center as designated by the Company for purposes of administering this Agreement. Through March 31, 2029, the Company will maintain a physical location for OBRs in each of the metropolitan areas of Raleigh/Durham, North Carolina, Dallas-Fort Worth, Texas, and Phoenix, Arizona.
- J. It is understood that the Company reserves the right to contract out any Passenger Service work when the Company's personnel, equipment or facilities are not reasonably available. Examples of the application of this paragraph include subcontracting facilities and personnel at White Plains airport (HPN) where all facilities are county owned and operated by county employees, and subcontracting personnel to handle a diverted flight at a location where Company personnel are not available.
- K. The following work shall not fall within the scope of this Agreement except for when and where so directed:
  - 1. All regional and/or express work.
  - 2. Internet travel services, or any related service.
  - 3. Work performed at a travel agency.
  - 4. Work performed by the Washington desk.
  - 5. Installation, testing, removal, repair, relocation, maintenance, programming, engineering, technical assistance or similar functions associated with any computer system, internet reservation system, telecommunications system, automated ticketing device, passenger processing device or any other new technology or equipment.
  - 6. Charter flights operated into non-Union represented cities.
- L. If the Company, as a result of irregular operations or unusual events, is experiencing a greater than ten percent (10%) abandon rate at any given time aAs to incoming calls originating in the United States, the Company shall have the right after exhausting all voluntary overtime provisions pursuant to Article 7 of this Agreement to route outsource a percentage of such calls, including to other employees of the Company not covered by this Agreement or a vendor, up to and in the following years:

2024: 10% 2025: 10% 2026+:: 15% until such time that the abandon rate abates to ten percent (10%) or less; provided, however, that the Company may not route more than ten percent (10%) of the total incoming call volume originating in the United States to other employees of the Company or a vendor in a calendar quarter. The Company shall notify the Union as soon as reasonably practical of the routing of calls pursuant to this provision. On a quarterly basis, upon request, the Company will provide the Union with information necessary to determine compliance with this Paragraph.

- M. Notwithstanding other provisions of this Article, employees not covered by this Agreement may perform Passenger Service work in cases of irregular operations, emergencies, or for providing unscheduled individualized customer assistance. A situation shall not be deemed to be an emergency or irregular operation within the meaning of this Paragraph where scheduled or overtime employees are reasonably available to adequately handle the requirement.
- N. The Union recognizes that the Company shall have sole jurisdiction, subject to the terms of this Agreement, over the management and operation of its business, the direction of its working force, the right to establish rules and regulations, to maintain efficiency in its place of employment, and the right of the Company to hire, promote, demote, select for training, discipline and discharge employees for just cause. It is agreed that the rights listed here shall not be deemed to exclude other rights of management not listed which do not conflict with other provisions of this Agreement.
- O. The Company reserves the right to implement new technology or equipment or passenger self-service processes or procedures at the time and in the manner designated by the Company. Work that falls within the scope of this Agreement associated with the operation of the new equipment or technology or a self-service process or procedure will be assigned to employees covered by this Agreement. If the introduction, modification or expansion of new technology or equipment or of a self-service process or procedure will result in a direct reduction in force of Passenger Service employees, the Company will consult in advance with the Union regarding efforts to minimize the impact of such changes on affected Passenger Service employees.
- P. At stations employing ten (10) or fewer Premium Customer Service Group employees, managers may perform Passenger Service work in clubs and lounges as needed once voluntary overtime provisions have been exhausted.
- Q. The Union recognizes that the Company shall have the right to enter into marketing, alliance or code-sharing agreements with other carriers under which the Company may perform Passenger Service work for the other carrier, and/or the other carrier agrees to perform Passenger Service work for the Company. The Company agrees that any such agreement shall provide for a fair pro rata allocation of work (based on enplaned passengers or other appropriate measurements) between Passenger Service employees and United States based employees of the other carrier.

## R. Job Protection

## Tentative Agreement

Effective on the date of signing of this Agreement, and provided that the employee exercises his seniority to the fullest extent possible, no Passenger Service employee will be furloughed to the street during the five (5) year term of this Agreement. The job protections provided in this Paragraph will apply only to those employees whose names appear on the Passenger Service Seniority List as of the date of ratification of this Agreement and shall not apply in circumstances where the Company's non-compliance is caused in substantial part by circumstances over which the Company does not have control as defined in Articles 12 and 15 of this Agreement.

Effective on the date of signing of this Agreement, there shall be no involuntary displacement from a station as a direct result of outsourcing of Baggage Services Office (BSO) services.

Tentative Agreement