

# The Association.



THE TWU-IAM ASSOCIATION

January 30, 2020

## Agreements in Principle

Sisters and Brothers,

After more than four years of bargaining, the TWU-IAM Association is proud to announce we have reached Agreements in Principle with American Airlines for five new joint collective bargaining agreements (JCBAs) worth \$4.2 billion, covering more than 30,000 Mechanic & Related, Fleet Service, Maintenance Control, MLS/Stores and Maintenance Training Specialist members.

The Association negotiating committees must finalize and proof contract language on agreed upon provisions of the tentative contracts, and the parties will continue to meet to accomplish that task. This process could take a few weeks. Preliminary highlight sheets are attached to this bulletin, but the final, complete contract language will be available to all members. In addition to being posted on union websites, the complete agreement will be mailed to each member's home before voting begins.

After the final language is finalized, membership ratification details and voting information will be announced.

When negotiations began, the Association negotiating committees were faced with the tremendous challenge of combining dissimilar, mature contracts negotiated by different unions with different airlines into JCBAs for the new American Airlines. From the outset, we had a decision to make: get a quick agreement, or get the right agreement for Association members, regardless of how difficult, lengthy and contentious that process would be. As you review the complete terms of the contracts, you will see that we chose the correct path.

Your negotiating committees recommend ratification of these agreements.

These Agreements in Principle will provide all Association members with wages, benefits, work rules, job security and retirement income that had never before been accomplished. Total compensation (wages, premiums, retirement, and profit sharing) is the richest in the industry. Not only are all Association members' jobs protected in their locations, but more importantly, we were able to protect the work we do. The considerable benefits to all members will be immediately apparent.

Nothing in these Agreements in Principle would have been possible without the support, solidarity and patience of the membership. We ask for your continued patience as we complete and proof every word so you can be presented with all the information you need to make an informed decision when you vote on ratification.

[Please Post on All TWU- IAM Bulletin Boards](#)

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## Agreement in Principle Highlights: Fleet Service

As stated in the announcement bulletin to members, the complete text of the JCBA will be available before ratification voting commences. An information meeting and ratification schedule is being developed and is forthcoming.

<b>Wage Increases</b>	<b>Fleet Service:</b> DOS +4.8%. +2% at +12,24,36,48 months after date of signing <b>CLP:</b> DOS +3.9%. +2% at +12,24,36,48 months after date of signing
<b>Profit Sharing</b>	<b>Top of industry profit sharing formula:</b> 10% of first \$2.5 billion of pre-tax income, 20% of pre-tax-income above \$2.5 billion.
<b>Premiums</b>	<b>Crew Chief Premium:</b> DOS: \$2.20/hr. DOS+3: \$2.40/hr. <b>Shift Differentials:</b> .51, .58, .61 cents per hour; <b>Hub Control Center Premium:</b> \$3.20 per hour
<b>Signing Bonus</b>	\$3,000
<b>Scope and Job Protection</b>	All employees have system and station job protection in their current status (full and part-time); Increased permanently staffed stations from 40 to 45; Secured express bag transfers from mainline in the following locations: PHL, CLT, PHX, DCA, LGA and LAX; Secured cargo work at the following locations: DFW, JFK, LAX, MIA, ORD, PHX and LAS; Secured catering in CLT and PHL until the end of the agreement; Secured de-icing in the following locations: BOS, DCA, JFK, LGA and ORD; Secured lavatory and water servicing of aircraft in 35 locations
<b>Medical: All Association Members</b>	<b>Standard:</b> The Standard plan's current design and employee contribution will remain the same as described in the JCBA; <b>Core:</b> The Core plan will be available with the cost share outlined in the JCBA. The plan design can be modified at the company's discretion; <b>High Cost Coverage (formerly "Value"):</b> No change. May be available at the company's discretion and is NOT part of the JCBA; <b>HMO:</b> HMO plans may be available at the company's discretion and is NOT part of the JCBA. <b>Me-too:</b> Standard and Core plans me-too with other AA groups on plan design and cost share improvements.

<b>Medical: IAM-represented Association members</b>	<p><b>PPO 80:</b> Will retain the PPO 80 Plan with the same plan design and premium share;</p> <p><b>PPO 90:</b> Will retain the PPO 90 Plan with the same plan design and premium share through 2025</p> <p><b>PPO 100:</b> Will retain the PPO 100 Plan with the same plan design and premium share through 2020</p>
<b>Retirement: IAM represented Association Members</b>	<p><b>IAM National Pension Plan (IAMNPP):</b> Increased IAMNPP contributions to the equivalent of 5% of total pay; and</p> <p><b>401(k) Match:</b> 100% match up to 4% of total pay;</p>
<b>Retirement: TWU represented Association members</b>	<p><b>401(k) Employer Contribution and Match:</b> Automatic 5% contribution of total pay and 100% match up to another 4% of total pay.</p>
<b>Retiree Benefits: All Association Members</b>	<p><b>HRA for Retiree Benefits:</b> If retirement eligible, employee may elect to receive 50% of hourly pay rate for each unused hour in sick leave bank deposited into HRA for use in paying for retiree benefits in lieu of \$9.20/hr cash pay out.</p>
<b>Vacation</b>	<p><b>The following vacation schedule will take effect on DOS:</b> Completion of 1 year, 2 weeks; 4 years, 3 weeks; 11 years, 4 weeks; 24 years, 5 weeks; 29 years, 6 weeks;</p> <p><b>The following vacation schedule will take effect on DOS + 3:</b> Completion of 1 year, 2 weeks; 4 years, 3 weeks; 11 years, 4 weeks; 17 years, 5 weeks; 24 years, 6 weeks;</p> <p>Any Association member who is entitled to an increase in vacation during 2020 will receive a lump sum payment for such vacation.</p>
<b>Holidays</b>	<p>10 holidays;</p> <p>Double-time and a half if worked;</p> <p>If off, 8 hrs paid straight time;</p> <p>Ability to comp holiday up to a max of 140 hrs</p>
<b>Overtime</b>	<p>Minimum one hour of OT;</p> <p>New double-time language after 12 hours on any work day;</p> <p>Paid OT bypass at the applicable rate</p>
<b>Sick Leave</b>	<p>Accrue 10 sick days per year;</p> <p>OJI first 20 days paid in full by company. After 20 days, employee may use accumulated sick bank to supplement worker's compensation;</p> <p>Sick leave bank maximum increased to 1600 hours;</p> <p>Upon separation from the company, a one-time cash payout in the amount of \$9.20 for each unused hour in sick leave bank</p>
<b>Hours of Service</b>	<p>Adverse weather conditions language;</p> <p>OT pay for working through lunch;</p> <p>Meal period rescheduled;</p> <p>Airport facility closure language</p>
<b>Training</b>	<p>Enhanced meal per diems for training;</p> <p>Enhanced travel time language;</p> <p>Web base training language;</p> <p><b>SIDA Badge:</b> Enhanced language regarding SIDA badge acquisition.</p>