

ARTICLE 16 – COMPENSATION

1 During the period of this Agreement, the rates of pay for the classifications of work
 2 covered will be in accordance with the Wage Schedules shown in this Article 16, which
 3 are incorporated and made a part of this Agreement.

4
 5 The hourly rates of pay as set forth in this Article shall be effective on the first Monday
 6 after the date of ratification.

7
 8 A. An employee, who holds a position in a Crew Chief, Technical Crew Chief, Inspector or
 9 Senior classification, will receive his basic classification chart rate plus a Premium of
 10 \$2.20 per hour. Premium will increase to \$2.40 per hour as of DOR plus three (3) years.
 11 An employee who receives this Premium will continue to receive that Premium, provided
 12 that he continues to hold a position entitling him to a Premium position.

- 13
 14 1. This Premium is added to his basic classification chart hourly rate of pay and will be
 15 considered as part of his base hourly rate for the accrual of all pay related benefits.
 16 Length of service increases will be based upon the basic classification date.
 17
 18 2. An employee’s base pay will mean the chart rate plus any applicable premiums
 19 and/or differentials and will apply to the calculation of pay for any overtime
 20 applications, vacation pay, holiday pay, sick leave pay, travel pay, field trips,
 21 furlough or severance pay, sick leave conversion to an HRA and pay for
 22 occupational illness or injury (OJI).

23
 24 B. During the period of this Agreement, the chart rates of pay for the basic classifications
 25 of work will be as specified on the appropriate pay charts below.
 26

		<u>AMT</u>			
		<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
<u>YOS</u>	<u>DOR</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	28.69	29.26	29.85	30.45	31.06
1-2	31.16	31.78	32.42	33.07	33.73
2-3	33.16	33.82	34.50	35.19	35.89
3-4	35.35	36.06	36.78	37.52	38.27
4-5	37.81	38.57	39.34	40.13	40.93
5-6	47.95	48.91	49.89	50.89	51.91
6-7	48.05	49.01	49.99	50.99	52.01
7-8	48.15	49.11	50.09	51.09	52.11
8-9	<u>49.20</u>	<u>50.18</u>	<u>51.18</u>	<u>52.20</u>	<u>53.24</u>

		<u>Inspectors</u>			
		<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
<u>YOS</u>	<u>DOR</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	28.69	29.26	29.85	30.45	31.06
1-2	31.17	31.79	32.43	33.08	33.74
2-3	33.18	33.84	34.52	35.21	35.92
3-4	35.40	36.11	36.83	37.57	38.32

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4-5	37.91	38.67	39.44	40.23	41.04
5-6	48.61	49.58	50.57	51.58	52.61
6-7	48.71	49.68	50.67	51.68	52.71
7-8	48.81	49.79	50.79	51.81	52.85
8-9	49.86	50.86	51.88	52.92	53.98

Plant Mx

<u>YOS</u>	<u>DOR</u>	<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
		<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	26.76	27.30	27.85	28.41	28.98
1-2	29.23	29.81	30.41	31.02	31.64
2-3	31.23	31.85	32.49	33.14	33.80
3-4	33.42	34.09	34.77	35.47	36.18
4-5	35.88	36.60	37.33	38.08	38.84
5-6	46.02	46.94	47.88	48.84	49.82
6-7	46.12	47.04	47.98	48.94	49.92
7-8	46.22	47.14	48.08	49.04	50.02
8-9	<u>47.27</u>	<u>48.22</u>	<u>49.18</u>	<u>50.16</u>	<u>51.16</u>

1

Utility/Cleaners

<u>YOS</u>	<u>DOR</u>	<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
		<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	16.00	16.32	16.65	16.98	17.32
1-2	17.93	18.29	18.66	19.03	19.41
2-3	19.26	19.65	20.04	20.44	20.85
3-4	20.75	21.17	21.59	22.02	22.46
4-5	22.30	22.75	23.21	23.67	24.14
5-6	24.37	24.86	25.36	25.87	26.39
6-7	26.08	26.60	27.13	27.67	28.22
7-8	26.21	26.73	27.26	27.81	28.37
8-9	27.02	27.56	28.11	28.67	29.24
9-10	<u>27.62</u>	<u>28.17</u>	<u>28.73</u>	<u>29.30</u>	<u>29.89</u>

Planners

<u>YOS</u>	<u>DOR</u>	<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
		<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	19.76	20.16	20.56	20.97	21.39
1-2	23.93	24.41	24.90	25.40	25.91
2-3	26.87	27.41	27.96	28.52	29.09
3-4	29.86	30.46	31.07	31.69	32.32
4-5	32.95	33.61	34.28	34.97	35.67
5-6	35.79	36.51	37.24	37.98	38.74
6-7	37.28	38.03	38.79	39.57	40.36
7-8	<u>39.92</u>	<u>40.72</u>	<u>41.53</u>	<u>42.36</u>	<u>43.21</u>

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QA Auditors

<u>YOS</u>	<u>DOR</u>	<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
		<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	31.33	31.96	32.60	33.25	33.92
1-2	33.85	34.53	35.22	35.92	36.64
2-3	35.94	36.66	37.39	38.14	38.90
3-4	38.14	38.90	39.68	40.47	41.28
4-5	40.61	41.42	42.25	43.10	43.96
5-6	50.34	51.35	52.38	53.43	54.50
6-7	50.98	52.00	53.04	54.10	55.18
7-8	51.65	52.68	53.73	54.80	55.90
8-9	<u>53.03</u>	<u>54.09</u>	<u>55.17</u>	<u>56.27</u>	<u>57.40</u>

Tech Docs

<u>YOS</u>	<u>DOR</u>	<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
		<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	29.80	30.40	31.01	31.63	32.26
1-2	32.37	33.02	33.68	34.35	35.04
2-3	34.44	35.13	35.83	36.55	37.28
3-4	36.72	37.45	38.20	38.96	39.74
4-5	39.26	40.05	40.85	41.67	42.50
5-6	49.75	50.75	51.77	52.81	53.87
6-7	49.87	50.87	51.89	52.93	53.99
7-8	49.99	50.99	52.01	53.05	54.11
8-9	<u>51.11</u>	<u>52.13</u>	<u>53.17</u>	<u>54.23</u>	<u>55.31</u>

OSM

<u>YOS</u>	<u>DOR</u>	<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
			<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	19.65	20.04	20.44	20.85	21.27
1-2	20.87	21.29	21.72	22.15	22.59
2-3	22.38	22.83	23.29	23.76	24.24
3-4	23.83	24.31	24.80	25.30	25.81
4-5	29.52	30.11	30.71	31.32	31.95
5-6	33.92	34.60	35.29	36.00	36.72
6-7	<u>34.25</u>	<u>34.94</u>	<u>35.64</u>	<u>36.35</u>	<u>37.08</u>

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YOS	MSP				
	<u>DOR</u>	<u>DOR</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
	<u>+12</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>	
0-1	19.65	20.04	20.44	20.85	21.27
1-2	20.87	21.29	21.72	22.15	22.59
2-3	22.38	22.83	23.29	23.76	24.24
3-4	23.83	24.31	24.80	25.30	25.81
4-5	29.52	30.11	30.71	31.32	31.95
5-6	33.92	34.60	35.29	36.00	36.72
6-7	<u>34.25</u>	<u>34.94</u>	<u>35.64</u>	<u>36.35</u>	<u>37.08</u>

1
2 C. The parties recognize that the work performed under and within certain classifications
3 in the Maintenance & Related Agreement is varied and in many respects significantly
4 dissimilar. For the purposes of this Agreement, the parties generally acknowledge
5 these basic dissimilarities of and between (1) the functions of operations service at
6 the line stations, and (2) the functions of overhaul maintenance service at the
7 Maintenance Bases have, therefore, agreed upon wage differentials.

- 8
9 1. An employee, while regularly assigned to the classification of Inspector, Crew
10 Chief – Aviation Maintenance Technician, Technical Crew Chief – Aviation
11 Maintenance Technician, Aviation Maintenance Technician, Crew Chief –
12 GSE/Facilities Mechanic, Technical Crew Chief – GSE/Facilities Mechanic, and
13 GSE/Facilities Mechanic at the Line stations, will receive a Line Premium of one
14 (\$1.00) dollar per hour.
15
16 2. An employee, while regularly assigned at DWH to the classification of Inspector,
17 Crew Chief – Aviation Maintenance Technician, Technical Crew Chief – Aviation
18 Maintenance Technician, Aviation Maintenance Technician, Crew Chief –
19 GSE/Facilities Mechanic, Technical Crew Chief – GSE/Facilities Mechanic, and
20 GSE/Facilities Mechanic will receive a DWH Premium of one (\$1.00) dollar per
21 hour.
22

23 D. Flexible Starting Rates

- 24
25 1. In the event that the Company, in its sole discretion, finds that any or all of its
26 starting pay rates (Step 1) as specified in Article 16 (B) are noncompetitive with
27 local market starting rates for similarly situated jobs, the Company may hire
28 applicants in any classification at any station/base/location at rates of pay higher
29 (Step 2 through the maximum hourly rate in the applicable pay scale) than those
30 starting rates specified in Article 16 (B). As market conditions change, the
31 Company may, in its sole discretion, change its designated starting rate. Such
32 designated starting rate may be higher or lower than previous designated starting
33 rates; however, such starting rate may not be lower than Step 1 nor higher than
34 the maximum hourly rate in the applicable pay scale.
35

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- 1 2. In those stations/base/locations where higher starting rates of pay are designated
2 in accordance with Article 16 (D) (1), all employees in that classification(s) at that
3 station/base/location who are receiving less than the new designated starting
4 rate of pay will have their rate of pay concurrently increased to the new
5 designated higher starting rate for that classification(s) in that
6 station/base/location.
7
- 8 ~~3.~~ An employee receiving a flex rate of pay will remain at that pay step on the pay
9 scale until such time that his seniority reaches a point that would allow him to
10 advance to the next step.
11
- 12 4. An employee who transfers to or from a station/base/location which has an
13 adjusted starting rate of pay for his classification will have his rate of pay
14 adjusted upward or downward to conform to the rate of pay received by an
15 employee with the same pay seniority as his, at his new station/base/location.
16 Such adjusted rate may not be less than Step 1 nor higher than the maximum
17 hourly rate in the applicable pay scale.
18
- 19 5. It is understood and agreed that the effective dates of step increases and other
20 changes in pay rates are determined by the employee's pay seniority.
21

E. License and Skill Premiums

- 22
- 23
- 24 1. An employee in the classification of Inspector, Crew Chief – Aviation
25 Maintenance Technician, Technical Crew Chief – Aviation Maintenance
26 Technician, or Aviation Maintenance Technician, regularly assigned to perform
27 aircraft maintenance work, will receive the following License Premium, if he holds
28 both FAA Airframe and FAA Power plant Licenses, FAA Airframe and FCC
29 General Radiotelephone Operator Licenses, or FAA Powerplant and FCC
30 General Radiotelephone Operator Licenses, in line avionics only FCC General
31 Radiotelephone Operator license will be considered two (2) licenses:
32
- 33 a. The employee will receive five dollars and twenty-five cents \$5.25 per hour.
34
- 35 2. An employee in the classification of Inspector, Crew Chief – Aviation
36 Maintenance Technician, Technical Crew Chief – Aviation Maintenance
37 Technician, or Aviation Maintenance Technician regularly assigned to perform
38 aircraft maintenance work, excluding work in the skill areas described in Article
39 16 (E)(3), will receive a License Premium of two dollars and sixty three cents
40 \$2.63 per hour, if he holds only one FAA/FCC License – FAA Airframe, FAA
41 Power plant, or FCC General Radiotelephone Operator License.
42
- 43 3. An employee in the classification of Inspector, Crew Chief – Aviation
44 Maintenance Technician, Technical Crew Chief – Aviation Maintenance
45 Technician, or Aviation Maintenance Technician, who holds one of these licenses
46 but who regularly performs work in the skill areas described in Article 16 (E)(3),

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1 will receive the Skill Premium, as provided in Article 16 (E)(4), rather than the
2 one License Premium provided in Article 16 (E)(2).

- 3
4 4. An employee in the classification of Inspector, Crew Chief – Aviation
5 Maintenance Technician, Technical Crew Chief – Aviation Maintenance
6 Technician, or Aviation Maintenance Technician, regularly assigned to perform
7 work as an Aviation Maintenance Technician – Machinist/Toolmaker, Aviation
8 Maintenance Technician – Plater, Aviation Maintenance Technician – Welder,
9 Aviation Maintenance Technician – Bench Avionics, and not receiving a License
10 Premium as provided in Article 16 (E)(1), will receive a Skill Premium as shown
11 below.

12
13 a. The employee will receive three dollars and forty-five cents \$3.45 per hour.

- 14
15 5. The following is a general definition and identification of the skill areas listed in
16 Article 16 (E) (4) and identifies the intent of that paragraph concerning skill
17 premiums. The parties recognize that both job test areas and former job codes
18 are in transition. The parties agree that all individuals receiving a Skill Premium
19 at the time of ratification will continue to receive their Skill Premium, so long as
20 the employee remains in the same type of work.

- 21
22 a. Aviation Maintenance Technician – Machinist/Toolmaker is an employee in
23 the classification of Aviation Maintenance Technician who is assigned to the
24 work of a Machinist/Toolmaker as described in the Classifications Article 7.
25
26 b. Aviation Maintenance Technician – Bench Avionics is an employee in the
27 classification of Aviation Maintenance Technician who is assigned to the work
28 of Bench Avionics maintenance, bench avionics components repair/overhaul
29 and /or bench avionics system maintenance as described in the
30 Classifications Article 7.
31
32 c. Aviation Maintenance Technician – Plater is an employee in the classification
33 of Aviation Maintenance Technician who is assigned to the work of plating as
34 described in the Classifications Article 7.
35
36 d. Aviation Maintenance Technician – Welder is an employee in the
37 classification of Aviation Maintenance Technician who is assigned to the work
38 of aircraft welding as described in the Classifications Article 7.

- 39
40 6. An employee in the classification of Inspector, Crew Chief – Aviation
41 Maintenance Technician, Technical Crew Chief – Aviation Maintenance
42 Technician, or Aviation Maintenance Technician, regularly assigned to aircraft
43 maintenance work, and not receiving the License or Skill Premium of \$5.25 per
44 hour as provided in Article 16 (E)(1) through (E)(5), will receive a Skill Premium
45 of one dollar (\$1.00) per hour.
46

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- 1 7. An employee not classified as an Inspector, Crew Chief – Aviation Maintenance
2 Technician, Technical Crew Chief – Aviation Maintenance Technician, or Aviation
3 Maintenance Technician, who holds both FAA Airframe and FAA Powerplant
4 licenses and who is designated and approved by the Company's Maintenance
5 Department to perform aircraft maintenance work, as described in Article 7 for
6 the above referenced classifications, will receive a License Premium in
7 accordance with Article 16 (E)(1) per hour for all hours, and only those hours, (or
8 fractions thereof rounded to the nearest 1/10 of an hour) worked performing such
9 aircraft maintenance work.
- 10
11 8. An employee in the classification of Crew Chief – GSE/Facilities Mechanic,
12 Technical Crew Chief – GSE/Facilities Mechanic, or GSE/Facilities Mechanic,
13 regularly assigned to automotive and/or facility maintenance work, (and an
14 employee in the classification of Maintenance Support Person who is regularly
15 assigned to the hazardous waste function) and who is not receiving a License
16 Premium as provided in Article 16 (E)(8) above, will receive a Skill Premium of two
17 dollars and eighty one cents (\$2.81) per hour.
- 18
19 9. Technical Documentation Specialist and Senior Line Maintenance Planners who
20 hold and thereafter continue to hold any of the following licenses shall be paid as
21 follows:
22
- 23 a. Two dollars and sixty-three cents (\$2.63) per hour for one license and five
24 dollars and twenty-five cents (\$5.25) for two licenses (A&P only). Employees
25 will be paid a maximum of two (2) licenses.
- 26
27 13. Regardless of the number of licenses an employee may hold and/or the number
28 of high skilled jobs to which he is assigned, neither License Premium nor Skill
29 Premium (individually or collectively) will exceed the rates shown in Article 16
30 (E)(1).
- 31
32 14. License Premium or Skill Premium as provided in Article 16(E) will be compounded
33 in the computation of overtime rates and included as a portion of the employee's
34 base hourly rate.
- 35
36 15. Employees in a bid area dedicated exclusively to the taxing and movement of
37 aircraft will be paid a taxi premium of one dollar (\$1.00) per hour for all hours
38 worked. For an employee, not in a dedicated bid area, who taxis an aircraft or
39 performs an engine run up during the course of his shift will receive the one
40 dollar (\$1.00) per hour premium for the time performing the taxi work rounded up
41 to the next higher hour. E.g. works 45 minutes on taxiing an aircraft; employee
42 will receive one (1) hour of taxi premium pay.
- 43
44 16. Employees who performs fuel tank work that requires fuel tank entry will be paid
45 one dollar (\$1.00) per hour from the time of the assignment and work card
46 issuance and will continue until the work assignment is completed.

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1
2 F. Shift Differential Premium will be paid as follows:
3

- 4 1. An employee assigned to a shift, which begins at or after 9:00 a.m. and before
5 7:59 p.m. will receive a shift differential of fifty-one (.51¢) cents per hour.
6
- 7 2. An employee assigned to a shift, which begins at or after 8:00 p.m., and before
8 5:59 a.m. will receive a shift differential of fifty-eight (.58¢) cents per hour.
9
- 10 3. No shift differential will be received by an employee assigned to a shift which
11 begins at or after 6:00 a.m. and before 8:59 a.m.
12
- 13 4. An employee whose assignment is to cover for shift relief or days off will be paid a
14 premium of sixty-one (.61¢) cents for all hours worked during the week.
15

16 A Relief Crew Chief will be an employee who will be required to relieve on a shift
17 basis to cover for absences of Crew Chief. A Relief Crew Chief will be assigned to
18 a permanent shift when not relieving and will not be assigned to any other shift
19 without a seven (7) day notice.
20

21 Example Start Times:
22

23	6:00 a.m.	to	8:59 a.m.	None
24	9:00 a.m.	to	7:59 p.m.	51¢
25	8:00 p.m.	to	5:59 a.m.	58¢
26	Relief shifts			61¢

27
28 G. An employee will receive the shift differential applicable to the shift to which he is
29 regularly assigned. The applicable shift differential will be included with the
30 employee's base hourly rate in the calculation of pay for overtime, vacation, holiday,
31 sick leave benefit, and benefits paid for absence due to an occupational illness or
32 injury compensable under the applicable Workmen's Compensation law.
33

34 H. An employee who is required by the Company to fly on a test flight will receive one (1)
35 hour's pay at his base hourly rate in addition to the regular pay for each hour or fraction
36 thereof spent on the test flight. The Company will provide a maximum of \$100,000
37 Test Flight and Observer Aviation Accident Insurance under the conditions outlined in
38 the American Airlines' liability policy for employees covered by this Agreement.
39

40 I. An employee who permanently transfers at his own request to another classification
41 of work as provided in any Association agreement will continue to receive his same
42 chart rate per hour but, in no event, will his chart rate exceed the maximum rate for
43 the classification to which he transferred.
44

45 If his chart rate at the time of such transfer is not the same as any chart rate per hour
46 for the classification to which he transferred, he will immediately receive the nearest

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1 higher chart rate per hour for such classification. Thereafter, the employee shall
2 progress on the normal progression scale in the new classification. In the case of a
3 transfer from a higher to a lower classification caused by a reduction in force under
4 this Agreement, the above rules will apply.

ARTICLE 17 – PROFIT SHARING

- 1 A. The terms of profit sharing benefits for TWU/IAM Association represented
2 employees (which replace and supersede any previous profit sharing provisions)
3 shall be as set forth in this Article 17.
4
- 5 B. TWU/IAM Association represented employees will be eligible for annual profit
6 sharing award payments if, for the year that the profit sharing award payment is
7 attributable, (i) the employee received eligible earnings (under the meaning used by
8 the current AAG profit sharing plan) from the Company for that profit sharing year
9 and (ii) remained employed on the last day of that profit sharing year, or whose
10 employment terminated during the profit sharing year by reason of the employee’s
11 retirement, involuntary furlough, disability, or death.
12
- 13 C. For each profit sharing year, the Company will calculate profit sharing award
14 payments as follows:
15
- 16 1. An amount equal to 10 percent (10%) of the dollar amount of American Airlines
17 Group Inc.’s (“AAG”) Pre-Tax Earnings up to \$2.5B for that year, and, an amount
18 equal to 20 percent (20%) of the dollar amount of AAG’s Pre-Tax Earnings above
19 \$2.5B for that year will be attributed to a profit sharing pool (“Total Profit Sharing
20 Pool”).
21
 - 22 2. A percentage of the Total Profit Sharing Pool will be allocated to the eligible
23 TWU/IAM Association represented employees by dividing the total eligible
24 earnings of the TWU/IAM Association represented employees by the total eligible
25 earnings of all participants in AAG’s profit sharing program(s) (“TWU/IAM Profit
26 Sharing Pool”).
27
 - 28 3. The TWU/IAM Profit Sharing Pool will be divided by the amount of all the
29 TWU/IAM Association represented employees’ eligible earnings, and the
30 resulting quotient shall be the “payout percentage.”
31
 - 32 4. The amount of the profit sharing award payment for each TWU/IAM represented
33 employee who is eligible for a profit sharing award for a profit sharing year shall
34 be the product of the payout percentage multiplied by such eligible employee’s
35 eligible earnings from the Company for the applicable profit sharing year.
36
- 37 D. “AAG’s Pre-Tax Earnings” means the earnings of AAG provided that such “earnings”
38 are determined (i) before any applicable income tax expense, and (ii) by excluding
39 all accruals under profit sharing plans and any other incentive compensation plan or
40 agreement, and all extraordinary, unusual, one-time, restructuring, reorganization,
41 integration, reduction in force, or other similar accounting adjustments as may be
42 determined by the compensation committee of the Board of Directors in its
43 discretion, after consultation with AAG’s independent auditors; and provided, further,
44 that AAG’s Pre-Tax Earnings remain positive after accruals under profit sharing
45 plans and all other incentive compensation plans or agreements are taken into
46 account.