

**PILOT SICK BENEFITS**

<b>AA</b>	<b>APA</b>	<b>CONSIDERATIONS</b>
<p><i>Highlights</i></p> <ul style="list-style-type: none"> <li>• Provide payout for unused sick time up to 60 hours at end of each year</li> <li>• Provide financial incentives for wellness</li> <li>• Provide online training options</li> </ul>	<p><i>Highlights</i></p> <ul style="list-style-type: none"> <li>• Convert current sick bank to a Personal Time Off (PTO) bank</li> <li>• Pays pilots 100% of unused personal/sick time upon retirement</li> <li>• Pilots can accrue an unlimited amount of personal time off</li> <li>• No limitations on use of personal or sick time, including on holidays</li> </ul>	<ul style="list-style-type: none"> <li>• AA currently has the industry’s second highest use of pilot sick time at 8.1%; industry average is 6.4%</li> <li>• No other airline provides 100% sick and personal time payout upon retirement; sick time is a benefit intended for use only if needed.</li> <li>• AA estimates the cost of the APA sick bank payout proposal at \$700-\$850 million.</li> <li>• No company can provide employees a “blank check” when it comes to scheduling personal time off, such as on holidays – particularly an airline serving the public, who travel (and pay for tickets) to an even greater degree around holidays.</li> <li>• Most companies put limits on the time off that can be carried from year to year to avoid carrying large liabilities on their balance sheets.</li> </ul>