AA Proposal

AA Proposal	**Date: 8/13/2008**	**Time:**
Subject: System Board of Adjustment		**Version: 7**
Proposal Reference(s): APA Proposals – 11/28/2007, 6/30/2008; AA Proposal – 1/23/2008, 1/24/2008, 5/7/2008, 5/28/2008 and 7/23/2008.		
Contract Reference(s): Section 23; Arbitrator and System Board Protocol (New)		

The Company proposes to make the following modifications to Section 23:

A: Establishment

In compliance with the Railway Labor Act, as amended, the parties establish the American Airlines System Board of Adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of this Agreement and which are properly submitted to it. The System Board of Adjustment may be constituted as either a Four Member Board or a Five Member Board. All grievances properly submitted to the Board will be heard by a Four Member Board, unless the President of the Association, or in the case of a Company grievance, the Vice-President Flight, elects to proceed directly to a Five Member Board. With the exception of expedited grievances, all grievances shall be submitted to and heard by the System Board on a "first-in, first-up" basis.

C: Selection of Arbitrator

1. The Association and the Company shall, by mutual agreement, establish a list of Arbitrators to serve as the neutral member of the Five Member System Board. Arbitrators will be categorized as suitable for Disciplinary/Discharge hearings, and/or Contractual Dispute hearings. There shall be a minimum number of ten (10) Arbitrators on each list with the understanding that an Arbitrator can be on both lists.

2. Either the Association or the Company, by written notice to the other, may at any time and without cause, remove any of the named Arbitrators. Every July, the Association and the Company shall disclose to each other the names of the arbitrators that they want to either strike from, or add to, the list of acceptable arbitrators. Every August, the Association and the Company will meet to review and formally amend, if necessary, the list of acceptable arbitrators. At the end of the August meeting, both lists of acceptable arbitrators will be populated with ten (10)

acceptable arbitrators. The Association and the Company shall retain the right to amend the list of acceptable arbitrators on an ad hoc basis any time during the year.~~.~~ ~~The~~ Any Arbitrator so removed shall complete any pending matters in accordance with the Basic Working Agreement. If future arbitration dates have been reserved with the removed Arbitrator pursuant to the Agreement, the System Board Coordinator shall cancel those future dates, and the party requesting the removal of said Arbitrator will be responsible for any cancellation fees that may be incurred as a result of the cancellation of future dates. Upon the removal of any Arbitrator, the System Board Coordinator shall contact the remaining Arbitrators, pursuant to Section 23.C.4 below, to obtain additional dates. ~~The removed Arbitrator will be replaced in accordance with C. 1. above during the parties' annual review of the Arbitrators list.~~

~~3. Upon request of either the Association or the Company, the list of acceptable Arbitrators will be reviewed annually for additions or deletions.~~

G: Representation

1. Both the Association and the Company may permit employees covered by this Agreement to be represented at Board hearings by such person(s) as they may choose and designate. In any case, if a pilot does not wish to have Association representation, the Association reserves the right to have a representative participate in the Board hearings. Evidence may be presented either orally or in writing or both.

2. The Board acting as a whole, or the Arbitrator, or the Association or Company representative(s) may summon witnesses ~~or documents~~ that are requested by the parties to the dispute. This Section 23 shall not restrict any additional rights granted under applicable law.