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SUPPLEMENTAL AGREEMENT
concerning the
JOINT SCHEDULING COMMITTEE

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC., hereinafter known as the "Company" and the AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC., as represented by the ALLIED PILOTS ASSOCIATION, hereinafter known as the "Association".

WHEREAS, the Company and the Association agree to establish a Joint Scheduling Committee (JSC) to:

- Improve communication and understanding of flight crew scheduling issues, and
- Investigate, identify, and promptly recommend solutions to resolve flight crew scheduling problems, and
- Make recommendations to improve the allocation, pairing, and scheduling of flying, and

WHEREAS, in making its recommendations, the Joint Scheduling Committee will take into account pilot quality of work life issues and the Company's need to maintain an efficient and cost effective crew resources and scheduling system,

IT IS MUTUALLY AGREED AND UNDERSTOOD:

The Association and the Company will form individual scheduling committees that together will comprise the Joint Scheduling Committee.

A. Composition

The Association and the Company will determine the composition of their respective subcommittees. The Company will include representatives from the Flight Department, Crew Resources and Scheduling, and Crew Resources Analysis, Employee Relations, Information Technology as necessary. Additional participants may be included, but the Association and the Company are responsible for the fees of their respective outside consultants.

B. Meetings

1. Meetings shall be held quarterly, or more often, as deemed appropriate by the Joint Scheduling Committee, and in a place of their choosing.

2. The Association and the Company will exchange, maintain, and update points of contact between their respective subcommittees. The respective committees need not physically meet as a whole to complete their work.

3. The Company shall provide the APA JSC participants Association leave from flying duties when the requirements of the Company permit.

C. Areas of Responsibilities

The JSC's areas of responsibilities will include, but not be limited to, reviewing and recommending changes to:

1. Production of allocations (including bid sheet construction and format), assignments, trip sequences, and lines of flying to improve their efficiency and quality.

2. Onerous trip pairings definitions, restrictions, and identifications.

   a. The JSC will review all trip sequences and pairings to ensure that onerous trips are minimized to the maximum extent possible, and seek alternative pairing or trip sequence constructions to minimize and mitigate the negative effects of such onerous pairings that cannot be eliminated.

   b. With regard to onerous pairings, it is the Company's policy to avoid, although not altogether prohibit, duty periods in which such flights are followed by more than a 2-hour sit, or more than one more leg. Such a flight is defined as one that is scheduled to be in progress at 0400 base time, and that is scheduled to arrive between 0430 and 0630 local time, or as otherwise defined by the JSC.

3. Preferential Bidding System (PBS)~~Secondary Trip Selections~~ Sub-committee

The Company and the Association shall establish a sub-committee of the JSC to provide input into the vendor selection, development and implementation of a Preferential Bidding System (PBS).

The sub-committee shall also be responsible for the monthly administration of the system, including but not limited to, the establishment of applicable monthly line credit windows for each equipment type and the regular and reserve line construction process.

The sub-committee shall be responsible for establishing a PBS training program and monitoring the progress of all pilots prior to implementation, and ongoing training as required following implementation. Pilots shall be provided with sufficient time to become knowledgeable with the bidding system prior to implementation.

In the event the sub-committee cannot reach agreement on any issue pertaining to PBS, the issue will first be referred to the Vice-President, Flight and the APA President for resolution. If the issue remains unresolved, the parties will utilize the Alternative Dispute Resolution services of the National Mediation Board. ~~The JSC will evaluate the need and make recommendations concerning the construction of secondary trip selections.~~

4. Automated Monthly Bidding ~~and FOS Access~~

   The Joint Scheduling Committee will coordinate the continued development, improvement, and implementation of an integrated system which will highly automate crewmember's monthly bidding process.

5. Trip Trade with Open Time System

a. The JSC will monitor the development, operation, and performance of the TTOT system to ensure it has the greatest flexibility for pilot use while meeting the operational requirements of the Company.

b. To ensure the adequacy of trips available to “prime the pump” for TTOT, the JSC will make recommendations regarding the best combination of secondary trip selections and open time before the start of each contractual month.

c. The JSC will monitor and recommend improvements to the parameters and function of the “Red Flag” trigger to ensure TTOT remains open to the maximum extent possible, and unavoidable interruptions in the TTOT system are minimized.

d. The JSC will evaluate and recommend improvements to the methods of pilot notification to be used when the TTOT system is turned off and on.

6. Reserve System

e. The JSC will review the administration of the reserve system to ensure the Company maintains adequate reserve coverage.

f. The JSC will recommend improvements to optimize reserve coverage to facilitate the best use of TTOT.

7. Periodic Review of Forecast Accuracy

The JSC will develop methods for improving the usefulness and accuracy of the three and six month pilot job forecast information which is provided to pilots in accordance with Section 17.F.1.d. of the Agreement.

B. Data Access

1. The JSC shall be provided access to and will use all methods, data, and reference materials which it determines is reasonable and necessary to effect their work. The JSC shall coordinate the timely exchange of data and reports, as well as the format, content, and media of such information.

2. It is understood by the parties that some information may be identified by the Company as privileged. The Association agrees to keep this information confidential until informed otherwise by the Company.

C. Recommendations

1. Contemplated changes to crew resource methodologies pertinent to the allocation, pairing, and scheduling of flying will be discussed jointly prior to their implementation.

2. The Company shall consider recommendations made by the Association’s representatives regarding the priority to be placed on controllable variables used in the production of allocations, assignments, trip sequences, lines of flying, and other areas reviewed by the JSC.

3. The Company shall implement the recommendations of the Joint Scheduling Committee in a timely manner.

SIGNED THIS 1st Day of May, 2003, by:

*/signed/*_____
Captain John E. Darrah
Allied Pilots Association

*/signed/*_____
Mark L. Burdette
Managing Director
Employee Relations