

ARTICLE 43 – PART TIME EMPLOYEES

The Company may utilize part time employees in all classifications under this Agreement and at all stations/locations/bases where such classifications are assigned. The provisions of the Basic Agreement will apply except as follows:

(a) No employee who is protected in a full time status by Article 42 (Job Security) will be involuntarily assigned to a part time status. Any full time employee may volunteer in accordance with his Occupational Seniority to fill a part time vacancy. A part time employee may in accordance with his Occupational Seniority fill a full time vacancy at his station/location/base or in accordance with his Occupational Seniority under the provisions of Article 12 fill a full time or part time vacancy at another station/location/base.

(b) Any vacancy(s) may be declared by the Company to be part time vacancy(s), without regard to pending transfer/upgrade request(s) to the station/location/base with the vacancy(s) and without regard to the existence of furloughed employee(s) with recall rights to the station/location/base with the vacancy(s), but as limited by subparagraph (1) below.

(1) The number of part time employees will not exceed fifteen percent (15%) of the employees covered by the Stores Agreement (e.g., total employees covered by this Agreement is 1261 -- therefore the maximum number of part time employees under this Agreement would be 189). This fifteen percent (15%) ratio will apply on a system-wide basis.

(c) A part time vacancy(s) will be filled by the Company with the most senior qualified employee requesting to fill such vacancy(s) in accordance with the following order of preference:

(1) System surplus employees (either full time or part time) in the same classification, provided they are senior to the most senior employee holding recall rights to that part time classification;

(2) By an employee with recall rights to the station/location/base;

(3) The following blended in seniority order:

(a) Employees in a full time or part time bid classification status in the same city requesting a voluntary demotion under the provisions of Article 12(of the Stores Agreement) will be offered part time vacancies;

(b) Transfer requests of employees currently on payroll in the same classification in other cities (Article 12(l) of the Maintenance Agreement/Article 12(l) of the Stores Agreement) blended in seniority order

with full time employees' transfer requests in the same classification within the city with the vacancy;

(c) Active full time employees in the same classification and city as the vacancy and have a transfer on file;

(4) By employees with valid 12(m) requests on file;

(5) By employees on layoff status with valid transfer requests on file to the station/location/base;

(6) By new employee(s).

A full time employee's refusal of part time work will not affect that employee's seniority or recall rights under this Agreement.

(d) A part time employee will be scheduled in either of the following two (2) methods:

(1) No less than four (4) consecutive hours, but no more than six (6) consecutive hours in a workday and for a maximum of five (5) consecutive work days in a workweek.

(2) For up to eight (8) consecutive hours in a work day, exclusive of a meal period, and up to a maximum of three (3) days in a work week.

(a) Such employee may be scheduled to work up to a maximum of twenty-four (24) hours in a work week, and

(b) Such employee may be scheduled to work up to a maximum of three (3) consecutive days which will include some combination of Friday, Saturday, Sunday, or Monday.

Provided, however, employees hired prior to February 11, 1983 will be scheduled for no less than twenty (20) hours per week and all employees hired after February 11, 1983 and prior to January 1, 1984 will be scheduled for no less than sixteen (16) hours per week under either option above. However, such employees may at their option, bid for work schedules containing fewer scheduled hours.

(e) No two (2) part time shifts in a work unit will be scheduled back-to-back within a nine-(9) hour period (e.g., no two-(2) four-(4) hour, no four (4) and five-(5) hour, and no two-(2) four (4) hour shifts with one (1) hour break). No two (2) part time shifts within a work unit will overlap for 30 minutes or less.

(f) For those part time employees scheduled to work in excess of five (5) hours, the Company will schedule a thirty (30) minute unpaid lunch period (if such period is required) and no part time employee's lunch period will encompass their first hour or their final thirty (30) minutes of work. The provisions of Article 36(b) will not apply.

(1) At times, due to operational problems, a part time employee may not receive a scheduled thirty-(30) minute unpaid lunch period. We have agreed, therefore, that in those instances where a part time employee who is scheduled in excess of five (5) hours and, for operational reasons, is not granted a lunch period during his tour of duty, will be eligible for a "penalty lunch" in the form of thirty (30) minutes additional pay at straight time rates. For example: An employee is scheduled for five (5) hours and forty-five (45) minutes, but due to off schedule operations, is unable to get away for a schedule lunch break during his tour of duty. He will be paid five (5) hours and forty-five (45) minutes for time worked, plus a thirty-(30) minute penalty period for not receiving his entitled lunch period.

(2) This agreed-to "penalty lunch" will not be applicable to any employee scheduled to work less than five (5) hours, but whose hours are extended beyond the five (5) hour period. This employee may be scheduled a lunch period at management's option, if in management's view the operation permits. This lunch period may be given during the employee's final thirty (30) minutes of work or waived by the employee. In any case, this employee will not be eligible for a penalty lunch.

(g) A part time employee scheduled to work on a holiday will be paid one and one-half (1.5x) for all hours worked and straight-time for the difference between the hours actually worked and the hours normally scheduled on that work day.

Part time employees regularly scheduled to work five (5) or more days in a workweek will receive holiday payment on the same basis as full time employees.

Part time employees regularly scheduled to work less than five (5) days in a work week will be eligible for holiday pay for the day on which the holiday actually falls if scheduled to work on the actual holiday. If not scheduled to work on the holiday, he will be paid one-fifth (1/5th) of his regularly scheduled work hours for that workweek at straight-time rates for the holiday.

A monthly report of extended hours by shift for part timers will be maintained at each station and shared with the local TWU President monthly.

For purposes of day to day assignments, part time Crew Chiefs may have full time employees on his/her crew, provided that such full time employees are not part of the basic bid or working a regular full time shift in a utility/support/"as signed" group. (Vacation relief is not included in this restriction.)

(h) A part time employee will accrue Company, Occupational and Classification seniority on the same basis as a full time employee.

(i) A part time employee will accrue Sick Leave, Vacation, Pension, and Group Life and Health Benefits in accordance with the provisions in the appropriate Articles. Injury on Duty benefits will be in accordance with Article 34. Vacation, Sick Leave and Injury on Duty pay will be based on a part time employee's normal work schedule.

(1) Equivalent full time service is determined by hours paid, not to exceed 80 hours in a bi-weekly period, not to exceed 2080 hours annually, whether paid at straight time or overtime rates. For example, hours during which overtime is paid are counted in the same manner as straight-time hours without reflecting overtime pay.

(2) Sick Leave:

Upon completion of six (6) months equivalent full time service (1,040 part time hours paid), as defined in (1) above, the employee will be credited with twenty (20) hours Sick Leave for use during the balance of that calendar year. Thereafter Sick Leave credit of five twelfths (5/12) of one (1) hour for each 173.3 hours paid is accrued. If, after dividing part time hours by 173.3 the remaining hours are more than 86.6, credit the employee with an additional five twelfths (5/12) of one (1) hour of Sick Leave. Remaining hours less than 86.6 are disregarded. Sick Leave, other than the original twenty (20) hours credited, is not usable until January 1 of the year following its accrual.

(3) Vacations:

Vacation accrual is on the basis of equivalent full time service as followed.

(a) Number of Vacation Days

The number of vacation days accrued will be determined by length of service (as for full time employees) adjusted for leave of absence.

(b) Number of Hours per Day of Vacation

Compensation for a vacation period for part time employees or employees changing from full time status to part time status or vice-versa either in the vacation accrual year or the vacation usage year, will be based on the following:

(1) Total hours worked in the accrual year (not to exceed 2080 hours (eighty (80) hours bi-weekly) divided by 173.3 hours = equivalent months of service (rounded to nearest whole number - 5/10 or above round up, 4/10 or below round down).

(2) Equivalent months of service x the following accrual schedule = the number of equivalent workdays for pay accrual.

Length of Service as of December 31 or Any Year	Accrual Rate Per Month During The Year Ending Dec. 31	Maximum Vacation Accrual
Less than 5 years	1/2 work day	5 workdays
5 years but less than 10 years	1.0 work days	10 workdays
10 years but less than 15 years	1.5 work days	15 workdays
15 years but less than 20 years	2.0 work days	20 workdays
20 years but less than 25 years	2.5 work days	25 workdays
25 years but less than 30 years	3.0 work days	30 workdays
30 years and over		

(3) Number of workdays from (2) above x 8 hours = total hours of vacation pay.

(4) Total hours from (3) above divided by number of vacation days eligible based upon length of service will equal the hours per days of pay for a part time employee.

(5) It is not intended that a part time employee working less than a five (5) day workweek would be eligible for a longer vacation than a full time employee with equivalent service.

(4) Pensionable Credited Service

Pensionable credited service for part time employees will be the same as for full time employees.

(5) Group Life and Health Benefits Plan:

(a) Part time employees will be covered by Article 41 in the same manner as full time employees with the following exceptions in coverage:

(1) Basic term life insurance coverage will be no less than equal to the basic term life insurance provided to any other part time employee within American Airlines.

(2) Accidental Death and Dismemberment Insurance coverage is \$10,000.

(3) Weekly Income for Accident and Sickness benefits are based on the average of straight-time earnings in the last 6 months with a maximum benefit of 50% of such average weekly earnings. Maximum benefit will be \$100 per week.

(b) Full time employees who convert to part time status will continue to be eligible for all Group Term Life Insurance and Health benefits coverage held as a full time employee.

(j) Overtime (call in contiguous or within one (1) hour of the beginning of a full time employee's shift or holdover contiguous or within one (1) hour of the end of a full time employee's shift) will first be proffered to full time employees available for work at the time the overtime is required. If those full time employees are not available for the needed overtime, then the Company may require part time employees to work beyond their scheduled hours at straight-time rates up to eight (8) hours in a work day. The Company will proffer day-off overtime when day-off overtime is required to full time employees before such proffer is made to part time employees. Part time employees will be assigned overtime before full time employees are assigned.

(1) Overtime rates will be paid to part time employees after eight (8) consecutive hours in a workday have been worked and at the rates provided in this Agreement.

Part time employees who work in excess of eight (8) hours (excluding lunch) are entitled to a minimum of one (1) hour of overtime in the same manner as full time employees.

(2) Day off overtime. Time worked on an employee's regularly scheduled day off will be paid as follows:

(a) If an employee has not worked forty (40) hours during the work week, straight-time pay for all hours up to eight (8) hours on an employee's day off. Any hours over eight (8) will be paid in accordance with Article 6(a) of this Agreement.

(b) If an employee has worked forty (40) hours during the workweek, time and one-half (1.5X) pay for all hours worked on an employee's day off, in accordance with Article 6 (b).

If a part time employee works the second or subsequent day off and has worked forty (40) hours in the work week in addition to time worked on the first day off, he will be paid one and one half times (1.5X) for the hours worked on the second day off. If the employee has not worked forty (40) hours in the work week, he will be paid regular time until he has completed forty (40) hours including time worked on his first day off. Once the employee attains forty (40) hours, he will be paid according to (b) above.

The provisions of Article 6(b)(5) and Article 25(b) do not apply to part time employees.

(k) Employees who are protected by Article 42 and who accept a part time position will be guaranteed only part time employment.

(l) Full time employees who transfer to part time status, and who are 57 years of age or over at the time of transfer, and who have at least five (5) years of credited service under the Retirement Benefit Plan will accrue credited service under said Plan on a prorated basis and final average salary for Retirement Benefit Plan purposes on a non-prorated basis, up to sixty (60) months following their transfer to part time.

(m) Part time Crew Chief positions will be bid in accordance with Article 12 of this Agreement. Part time employees and part time Crew Chiefs will be excluded from the ratio computation and ratio provisions of Article 11. Furthermore, a part time Crew Chief will only have part time employees assigned to his crew except as provided for in Article 43(g) (5).

(n) Part Time Utilization and Part Time Review Committee

In connection with part time utilization, the TWU and the Company have agreed that full time employees would not be arbitrarily replaced with part time employees. The intent of this agreement is to insure that flight schedules, volumes, and good business practice dictate the optimal split between full time and part time employees at a location.

Further, it is agreed to maintain a joint AA-TWU Part Time Review Committee, composed of two (2) representatives from each party to review utilization of part time staffing. This committee will be a standing committee that meets on a predetermined periodic schedule, as well as an ad hoc basis. The committee will have access to the information necessary for making determinations as to whether the part time/full time mix is and continues to be in accordance with the principles outlined above as well as those specific scheduling and staffing provisions outlined in the Agreement. This committee will review part time issues brought to its attention, and will take the necessary and appropriate action to resolve those issues.

(o) During the recent negotiations, the TWU expressed a desire to prohibit the expansion of part time employees under the Stores Agreement. The Company

recognizes that it has not utilized part time employees historically. In an effort to resolve the matter, the Company does not intend to change its historical application, but at the same time must protect its contractual right in the event the operation requires its application. Therefore, the Company commits to the following:

During the life of this agreement, if the Company was to add part time positions at locations where they do not exist today, the Company will notify and discuss the plans with the International TWU prior to the implementation of the part time positions.

(p) The attachments on the following pages are agreed to by the parties and are incorporated as part of this agreement.

ATTACHMENT 43.1 - PAYMENT OF OVERTIME ON C/S (CLARIFICATION)

Re: Payment of Overtime on C/S (Clarification)

A 1996 letter from Mary Fives to field HR Managers described the payment of overtime in conjunction with a C/S when a regular work period of eight hours was contiguous with the C/S. However, the letter did not address what rate was applicable when the regular shift and the C/S are not contiguous. Attached are three Part Time Review panel decisions which help us answer this question.

First, case number M-61-92 tells us that the regular shift and the C/S hours were contiguous. The decision was to pay overtime for hours worked exceeding the C/S. This confirms what is stated in the 1996 Five's letter and is consistent with language in Article 6 (a) (1) and Article 6 (j) which state:

Article 6

(a) (1) One and one half times the regular hourly rate for each hour worked in excess of eight hours and less than twelve.

(j) If overtime on any workday or work week is due to an authorized exchange of days off or shifts by employees (which must be approved in advance by the appropriate supervisor), said time shall be compensated for at straight time rates; provided, however, any continuous work, exclusive of meal periods, in excess of eight (8) on any shift or tour of duty shall be paid at the overtime rates provided in paragraph (a) and (b) of this Article.

Case numbers M-254-95 and M-425-94 tell us that if there is a break in service (time off between the regular tour of duty and the C/S) straight time rates would apply. This break in service interrupts the continuous nature of the work hereby breaking the time and one half-pay rate.

Example:

Employee works:

0600 - 1430 Regular tour of duty 8 hours	Straight time rates (1 hour break)
1530 - 1930 C/S work 4 hours	Straight time rates
1930 - 2190 Company extension 2 hours	Straight time rates

Given the complex nature of the C/S Overtime issue, we recommend that, before authorizing a change of shift, ample consideration be given to the possibility of an extension beyond a C/S and what penalty might be assessed against the Company in the form of overtime when that extension occurs.

ATTACHMENT 43.2 - INTERPRETATION AND APPLICATION OF ARTICLE 43(j)

The following procedure demonstrates the correct interpretation and application of the 43(j) provision and of the M-962-97 Opinion:

First, identify the beginning and end of the overtime need. Then determine the method that will be used to fill the need (Holdover or Call In). If Holdover is chosen, begin at step one. If Call in is chosen, begin at step two.

1. Identify the FT shifts that end within the one-hour window before the overtime need. If no FT, go to step 2. If step 2 has already been completed, go to step 3.
2. Identify the FT shifts that begin within the one-hour window after the overtime need. If no FT, go to step 1. If step 1 has already been completed go to step 3.
3. If there are no FT employees in the window at either end, then look for the PT shift nearest the overtime need in either direction (Holdover or Call In, at management option). After identifying the PT shift nearest to the overtime need, the proposed extension of that PT shift redefines the need. Therefore, the one-hour window expands proportionally. Repeat step one (Holdover) or step two (Call in) with the newly defined overtime need and window. Again, management has the option of which method to use to fill the overtime. Therefore, if there are no FT found in the new window, it is not necessary to move to the subsequent step.

Step 3 Example: Steps one and two were completed and no FT shifts were found on either side of the overtime need. The holdover option is chosen. The chart above shows the end of the PT shift nearest the overtime need is 1300. The overtime need is now redefined to be 1300 to 1600. The one-hour window expands proportionally. Prior to proffering to PT we look for the end of a FT shift within the new one-hour window 1200 to 1300. If no FT shift ends within the window, you may proffer to PT. As a reminder, once you proffer an employee, whether it be hold over or call in, you are obligated to continue proffering that option until it has been exhausted.

In summary, In order to ensure you are in compliance with the provisions of Article 43(j), before you extend a PT employee, always look back one hour from the end of the PT shift you are extending. If a shift ends or begins within this window, you must proffer to FT first.

ATTACHMENT 43.3 - MISCELLANEOUS PART TIME PROVISION APPLICATIONS

AMERICAN AIRLINES, INC.
P. O. Box 619616
DFW Airport, Texas 75261

July 15, 2001

James C. Little
International Vice President/Air Transport Director
Transport Workers Union of American, AFL-CIO
1848 Norwood Plaza, Suite 112
Hurst, TX 76054

Re: Miscellaneous Part Time Provision Applications

Dear Mr. Little:

In the course of the 2001 Maintenance and Related contract negotiations, the parties sought to reduce the number of letters associated with the agreement by incorporating into relevant articles, attaching to relevant articles, modifying, or in some cases, deleting letters that were no longer applicable. In the course of doing this, more than twenty (20) letters pertaining to Article 43 were addressed. Most letters were eliminated, incorporated into the body of the article, or attached to the article; however this letter represents various important aspects of the application of the part time provision that could not be captured elsewhere. The items listed below represent our mutual understanding of the proper application of the aspects represented in each bullet.

A) First Vacation Eligibility (from letter dated 2/3/84):

Q. Must a part time employee have completed six months with the Company before being eligible to take his first vacation?

A. No. An employee is immediately eligible to take any vacation that has been accrued in the previous calendar year, even if he has not yet completed six (6) months.

B) Part time PV pay (from letter 4/5/84):

Q. If a part time employee takes a PV day, how are his hours calculated since the number of vacation hours are not known until the entire calendar year has been worked?

A. For purposes of PV days only, pay the employee the number of hours he was scheduled to work on the day for which the PV day was granted.

C) Eight (8) hour part timers/ Holidays (from letter 10/14/85):

This will confirm our discussions on the provisions of Article 43 (d) (2) of the Labor Agreement effective September 1, 1985 pertaining to part time employees who may be scheduled for up to eight (8) hours on specified days. If any of these days should fall on a holiday and a reduced workforce is needed on these holidays, full time employees will have preference over such part time employees for eight (8) hour shifts on the actual holidays.

D) Part timer CS/ Holiday pay (from letter 12/16/96):

- Q. If two part timers are scheduled to work the holiday and one part timer agrees to work for the other part timer (CS), how is each employee compensated?
- A. All hours worked on a holiday, regardless if part of the employee's shift is the result of a CS, are paid at 1.5x his regular rate of pay. The holiday moves for the other employee who CS'd off to his next scheduled workday.

E) Part time Holidays and Vacations (from letter 11/17/83):

Holidays-for the purposes of canvassing for volunteers, either full time or part time, and notification of those required to work on a holiday will be done on separate lists within the classifications and/or work units. At stations with less than 2,555 annual scheduled departures, the proffer for volunteers to work on a holiday may be combined-full time and part time.

Vacations:

- A. Full time vacation selection and part time vacation selections will be administered as separate lists and vacation relief will be administered on separate schedules except for those stations with fewer than 2,555 annual scheduled departures. Such stations with fewer departures determined as of July 1 considering the prior 12 month period may combine vacation selection and vacation relief schedules. Such combination of vacation relief schedules shall not void the provisions of Article 43 (d).

The following is an alternative proposal that may be elected on a city-by-city basis:

- B. All vacation selections at a station/work unit/department will be posted for selections, full time and part time, as one common vacation list. Vacation relief selections will also be administered on one common vacation relief schedule. The Company will attempt to provide proper numbers of full time and part time vacation relief selections commensurate with scheduled vacations for the bidding period and whenever possible full time employees will relieve full time employees, and part time employees will only relieve part time employees. However, when necessary due to vacation selections not

balancing with vacation relief employees (part time to part time, full time to full time) part time employees bidding and being awarded vacation relief selections may be assigned to relieve full time employees.

F) Cross utilization (from letter 11/17/83):

Available work in a higher classification which is planned to continue in excess of a four (4) week period for the appropriate work unit shall be posted for bid and assigned to the most senior available employee bidding, subject to the classification qualifications including licenses.

G) Temporary upgrade (from letter 4/5/84):

Q. Can a part time employee fill a locally posted temporary upgrade?

A. If there are no full time volunteers, then the senior part time employee volunteering is entitled to fill the full time crew chief vacancy on a temporary basis. For that temporary period, he would be a full time crew chief eligible to supervise the work of full time and part time employees.

H) Distribution of part time hours (from letter 2/3/84):

Q. Does the Agreement require that extended hours for part timers be distributed as equitably a practicable in the same manner as overtime?

A. No, although the contract does not require equitable distribution of extended hours in the same manner as equitable distribution of overtime, the additional benefits that flow from extension of hours requires that we should rotate such extension of hours within shift/work units/groups. There may be times when due to operational requirements/skills such as rotation of extended hours is not possible. These instances, however, should be in the minority.

These excerpts have attempted to cover most of the areas of question that are not otherwise covered in the agreement.

Very truly yours,

James B. Weel
Managing Director,
Employee Relations

Agreed:
James C. Little
Director, Air Transport Division