

**APFA
BOARD OF DIRECTORS' MEETING
OCTOBER 17-18, 2012**

**Embassy Suites
Fort Worth, Texas**

0920 Call to Order

President Glading called the APFA Fall Board of Directors' Meeting to order.

0920 Roll Call

Secretary Pharr took the roll call of the Board of Directors and National Officers. All chairpersons or their appropriate representatives were present. All National Officers were present.

0921 President's Opening Remarks

President Glading began her remarks with compliments and acknowledgement of the hard work and difficult decisions this Board has completed. At this, the most difficult time in the flight attendant career, the Board has made decisions that will protect the flight attendants and their career and President Glading could not be prouder of all efforts put forth. President Glading spoke to the strength and resolve of the APFA flight attendants that this Board has the privilege to represent. While the feeling of not being treated fairly by management for many years has prevailed, the flight attendants continue to come to work, love their job, coordinate, communicate, sacrifice and do all they need to do to help each other and this organization. Everyone has pulled together to work toward a common goal.

0924 Agenda Review and Approval

Resolution #1 was put forth for approval. At this time, any changes, amendments or additions to the agenda as presented were requested.

Prior to accepting any changes or additions to the presented agenda, Secretary Pharr addressed the Board. Two resolutions had been postponed at the Annual Convention to be discussed at the Fall Board Meeting. The makers of the subject resolutions are no longer members of the Board; therefore, a current member of the Board would have to sponsor these resolutions if the Board wished to consider them at this time. Only one of the postponed resolutions will be brought forth at this meeting with a new maker allowing additional discussion and a vote.

The discussion returned to amending the currently presented agenda. Several items were requested to be added to the agenda. The Board was reminded of a resolution previously passed requiring that the subject of a proposed resolution must be disclosed prior to being added to the

agenda. These informational remarks will be brief; therefore, not included as an agenda item. President Glading once again verbally reviewed the agenda as amended.

0935 Resolution 1A – Amend the Agenda
Maker: Pharr
Second: Casadey

Resolution #1A amending the agenda as presented was put forth for a roll call vote and was passed unanimously (16 yes, 0 no).

0936 Resolution 1 – Approve the Agenda
Maker: Pharr
Second: Trautman

Resolution #1 approving the agenda as amended by Resolution #1A was put forth for a roll call vote and was passed unanimously (16 yes, 0 no).

0941 PRESIDENT’S UPDATE

0941 Litigation Update

There is only one case outstanding, Rios-O’Donnell, a dues termination case. This case is still pending. The APFA filed a motion for a Summary Judgment and the plaintiff’s response is due on November 6th. It is hoped that the judge will issue a decision shortly thereafter.

0943 Coalition Update

President Glading thanked Vice President Gluth, Secretary Pharr and Jennifer Brisette for attending the ITF Annual Convention in London. Secretary Pharr spoke about this conference and the empowerment that was felt. It was individuals from all over the world with the same concerns, problems and goals. A very thorough report was given on cabin air quality and will be followed up. Vice President Gluth reiterated how similar the concerns were of the participants at this convention from all over the world.

President Glading spoke to the Flight Attendant Coalition which was hosted by the Teamsters in September in Washington DC. All flight attendant unions participated. The Known Crewmember Program was discussed and Homeland Security did a presentation on human trafficking. The numbers of people involved in this is astounding and flight attendants are encouraged to be vigilant and report any suspicious behavior. There was also a discussion concerning negotiations updates from fellow members of this coalition. U.S. Airways has rejected their latest contract offer. Lobbying and legislative issues were also discussed.

President Glading then asked representatives of O’Neil & Associates to address the Board with an update on lobbying issues. Julie Frederick began the briefing to the Board concerning the Lobby Day that was held in July. Both Democrats and Republicans were visited. The message

that was delivered to congressional representatives by the three Unions of American Airlines was that all want American Airlines to succeed and shared their vision of the path to success. Peter O'Neil stated that he felt the most important thing that came out of the visits was that it stopped cold any talk of support on Capitol Hill of current Company management. Capitol Hill is not used to seeing Unions united in a common goal. It was excellent that the message was presented by all three Unions.

Concerning the upcoming election, Mr. O'Neil feels, as do most, that this will be a very close election. He does feel that the House of Representatives will remain a Republican majority with control of the House. Democrats may narrow the margin. Two labor supportive Republicans have retired this year. In the Senate, Mr. O'Neil's opinion is that the Democrats may lose a number of seats. It is felt that the moderate Republicans will be pushed aside by being denied committee chairmanships and meaningful roles by the right-wing Republicans, who will prevail. Julie Frederick stated that during her conversations with some Republicans, they have said that they hope that more moderate Republicans are elected to help all move to the middle for compromise on some issues, which is not the case with the extreme right-wing.

Progress has been made with the Known Crewmember Program and OSHA; however, these high ranking appointees are in jeopardy of losing their positions which would put us at square one. The APFA has developed strong working relationships with these individuals. An update was given regarding public relations. The APFA is still in its "quiet" period as per a non-disclosure agreement. Statements have been issued regarding the 30-day extension requested by American Airlines and also the new hires proposed by the Company. A question was raised regarding cabin crewmember OSHA protection. APFA has been working with the interim FAA director regarding this issue. Progress has been made.

The next two agenda items will be discussed off the record. These items are Kerry Dent Evaluation and Negotiations update.

1013 Meeting Taken Off the Record

1634 Meeting Back On the Record

1634 Resolution #2

While bringing the meeting back on the record, President Glading stated that there has been a request to amend the agenda. The Board was asked if there was any objection to this request to amend the agenda to include an endorsement of Senator Claire McCaskill. There was no objection by any member of the Board.

1635 Resolution #2 – Senator Claire McCaskill Endorsement

Maker: Pharr

Second: Gluth

Resolution #2 was read into the record by the maker. The resolution endorses incumbent Senator Claire McCaskill from Missouri. A roll call vote was taken and the Resolution #2 passed unanimously (16 yes, 0 no).

1636 Departmental Reports

1636 Communications Department

A written report was submitted to the Board by the Coordinator, who was not present at the Board Meeting as she was conducting press interviews regarding the new hire announcement by the Company.

1638 Contract Department

The Early-Out Election List was discussed as there may be a few additions or subtractions from this list. These will only be granted for extreme circumstances or hardship. These requests will be reviewed by the Company and an APFA representative. The Delta Connection reciprocal was discussed and is still being worked on by APFA and the Company.

1643 Health Department

The hard copy of the Benefits Options Chart is to be mailed by the Company on October 19th. The Coordinator registered her displeasure to the Company regarding the late mailing since they have compressed the enrollment period to two weeks. She is trying to determine if they will be increasing their manning of the call center to accommodate questions. The Benefits Options Chart has been online since last Wednesday. Flight attendants were alerted via the Hotline to this posting. If FA has no coverage currently they will default to no coverage. The default plan for those who currently have Value Plus or Standard and do not actively enroll, will be the "Standard Plan". FAs currently enrolled in HMO you will default to that HMO – with the exception of the Philadelphia HMO which is the only HMO going away. The Health Matters Program is strictly voluntary and is covered under the HIPPA Program so this information is confidential and is not shared. The Coordinator mentioned that at www.healthcare.gov, there is a listing of preventive tests that are now to be covered under healthcare reform, which were not previously covered. Preventative care is paid 100% with no co-pay. The "In Network" list of doctors will remain the same. A point was raised that the co-pays are not applied to the deductible. New Hires will have the same choices but will default to Core Plan. The Coordinator stated that the IOD package online by the end of November.

1703 EAP Department

There were no questions for the EAP Department Report

1704 Hotel Department

The Coordinator confirmed that there would be no hotel change in Paris. There will be no changes in the European hotels through the end of 2012. Hotels are being reviewed in Asuncion, Paraguay and Recife, Brazil; San Antonio, Philadelphia and Santiago, Chile are also on the list to be reviewed. The pilot upgrade situation was updated and a teleconference held with the Company. Additionally, conversations were also held with the APA. Work is continuing on that situation. Shanghai is also being reviewed. An updated hotel list was submitted to the Board and is posted on the Hotel Department website.

1709 Safety and Security Department

A question was raised regarding the timing of American Airlines flight attendants being able to utilize the Known Crewmember (KCM) Program. There was a computer glitch with the Company IT Department computer communication enabling this program to proceed. It is a priority within the Corporate Security Department and could begin at any time. Information will be provided when this occurs. The Coordinator outlined the FAs procedures for KCM program and reminded the BOD that KCM is random and not a guarantee for each pass through security. The 737 staffing and modification was discussed. APFA, as well as our coalition partners, object to the FAA decision regarding the 737 modification. Questions were asked about the seat clamps that had recently failed. It was determined by AA Maintenance that the dirty clamps were indeed the problem. A request has been made to the Company to allow flight attendants to utilize PVD days to cover the cancellations caused by this problem.

1721 Scheduling Department

The Coordinator is currently with the Negotiating Committee preparing for the LBFO training later in the week. No questions were raised for the Scheduling Department.

1721 Archives Department

The Coordinator stated that Communications Department archive project is almost complete. Compliments were extended to the Coordinator for her quick response to requests for archived materials.

1722 Retirement Department

The Coordinator spoke to the recent offering of the VEOP and that the bidding for the exit slot will be closed today. The results should be known by the end of October. The minimum flying requirement will not be an issue until the last VEOP person has left. Questions were asked about EPT's. If the flight attendant attends EPT's during their base month there is not an issue, but the Company will still assign the training during the grace month even though the flight attendant is leaving. The 1114 Committee filed their counter proposal to the company's third proposal – this is an ongoing situation. There is a VEOP Checklist issued showing what needs to be done thirty (30) days before you leave and thirty (30) days after you leave. This is an excellent guide and is on the APFA website and on the hotline. The 401K match is raising questions. It is 5.5% of your wages, not 5.5% of your contribution. Nothing will interfere with the refund of the

prefunding contribution to current flight attendants, which may be issued by the end of the year. There was much discussion on retirement contribution refunds. Gratitude was extended to Jackie Phillips for her hard work in this department.

1734 Break

1745 Meeting Back On the Record

The Board Meeting was approaching the nine (9) hour limit; therefore, a hand vote was taken to extend the meeting to cover the Vice President's Report. The meeting will continue to cover the Vice President's Report.

1747 VICE PRESIDENT'S REPORT

The 757 Crew Rest Seats have been completed and are in the field. The issue of non-compliance was discussed with the bases utilizing this aircraft and remedies sought from local level. A grievance may be filed and the arbitrator brought back in to clarify/resolve the remedy issue.

Two presidential grievances were filed. One was filed for misapplication of 31R and the wording of this grievance was shared with the Board as well as the Company response. The second presidential filed regarded the October bid sheets and the date of issuance/closure.

Another problematic issue is the effective date, as concerns grievances, of the LBFO. This is causing a tremendous problem in the SBA Department. All outstanding grievances that are active must be determined at this point. DRC's that were filed before the LBFO were discussed. Some cases are very old and have not had the DRC. Also, the Vice President's Department needs to determine which are active and which have been resolved, settled or withdrawn. Discussions were held regarding certain procedures concerning the NOD and the facilitator. The question was raised when the NOD's would become electronic. This is being worked on.

Questions were raised regarding the android pad proposed by the Company. The test period would last approximately six (6) months. Questions were raised about the emergency check list, which will be a separate item. Hopefully more information will be forthcoming at the next meeting. Training on the new device will be required.

Three (3) SBA cases have gone forward in the last few months.

The Vice President distributed a request from the company to allow seniority accrual for positions that, as a result of the company's cascade project, are no longer in Flight Service.

Vice President's report will continue tomorrow morning.

1833 Motion to Recess

Maker: John Nikides

Second: Todd Breckenridge

A motion was made to recess and approved by the Board. A thank you was expressed to Parliamentarian Jon Erickson for the Robert's Rules Training.

The Board of Directors' Meeting was formally recessed for the day.

DAY TWO
FALL BOARD OF DIRECTORS' MEETING
OCTOBER 18, 2012

0914 Call to Order

President Glading called the meeting to order.

0914 Roll Call

Secretary Pharr took the roll call and all meeting participants were present.

0915 Vice President's Report – Continued

Vice President Gluth addressed the Board regarding a clarification regarding discussions from yesterday. With the LBFO and suspension or hiatus of grievances, if there is an issue that is a continuing violation today and is part of those suspended grievances, re-file and push it through a DRC. The SBA slates are relatively clear and there will not be QSB's held in November. The next cases are scheduled at the end of February and the department is getting caught up. In six months, four (4) arbitrations have been completed. The Division Reps have done an incredible job along with the base chairs of getting some of the termination cases handled very quickly. We hope to have a nine (9) month process as opposed to 18+ months.

A discussion began regarding the Five Year Clock Arbitration, which was won. Anne Loew will be briefing the Board regarding this award when she is able to join the meeting. The question of clearance without returning to work and the clock starting again was raised. This issue will be discussed when Anne Loew joins the meeting. Anne will clarify what constitutes coming back to work allowing the five-year clock to begin again.

The seniority issue regarding flight attendants working with management in Flight Service and being moved to another department was discussed. The Company feels they should continue accruing seniority even though they would no longer be in Flight Service. Several suggestions were brought forth as alternatives. The US Airways' policy regarding this was discussed. This problem was created by the Company transferring these flight attendants out of Flight Service. The Company has transferred them in these positions to a department other than Flight Service. The Company has stated they will fill these positions with American Eagle flight attendants if the Union does not agree to the seniority issue. The question was raised whether or not these flight attendants have stopped accruing seniority since they have been transferred out of flight service. The Contract Coordinator feels that they should not be accruing seniority at this point and will verify this. Legal Counsel also brought forth a suggestion of a grace period. President Glading does not feel that a decision on such an important issue can be decided at this meeting without thoroughly discussing it. The Contract Coordinator spoke to a resolution passed unanimously at the last Fall Board Meeting which spoke to occupational seniority and the desire to have it cease for everybody should an employment threshold be implemented. The subject

resolution passed at a previous meeting was read to the Board; however, it did not directly address the problem being discussed.

President Glading asked the Board if this was an issue they wished to address and resolve at this meeting. It was agreed to continue discussions and make a decision. After additional discussion, President Glading took a poll of the Board of Directors. By a majority consensus of the Board, it was determined that this seniority issue would not be changed for the management positions in question held currently by flight attendants. The policy will remain the same.

0951 Five (5) Year Clock

Anne Loew was asked to speak to the Board regarding this award. There was great concern on the Union's part with the arbitrator's misinterpretation of Article 28. They did meet with the arbitrator in Executive Session to resolve the misinterpretation. This was a strong case and the APFA was able to show that this was in fact something new that the Company had implemented. There was a long history regarding the resetting of the five-year clock by the member coming back to work for even one day and going back out again. In the term sheet, the clock was changed to three (3) years; however, in the LBFO the three years was eliminated allowing the five year clock to remain. Once the flight attendant clears medical and the required training, they are considered "active". The award does not state that a trip must be flown to be considered active. The individual must clear medical only within the five year clock, not complete training. It is the Company's responsibility thereafter to schedule the required training.

The arbitration award was not specific about the flight attendant being required to fly a trip prior to going back on sick and restarting the five year clock. The various interpretations of this award were discussed at length. Several opinions were brought forth. The medical clearance must be completed within the five year clock. It is recommended that this process begin at least eight (8) months prior to the end of the five year clock. The Vice President will attempt to determine the intention of the award as it regards clearance, training and active status. The two APFA representatives who served as the APFA Board for the arbitration will also discuss their understanding of the award. All Board Members were encouraged to read this award. The Board will receive further advisories concerning this award.

1012 Break

1138 Meeting Back On the Record

1140 SECRETARY'S REPORT

Secretary Pharr began with a review of information concerning the upcoming election process. The Willingness-To-Serve forms will be mailed on December, 5, 2012 and pick up will be on January 4, 2013. If an election is required, the ballots will be mailed on January 23, 2013 with the ballot count on February 22, 2013.

1140 Policy Manual

The Policy Manual Committee met to discuss any immediate needs for update concerning the LBFO. The Committee met at Headquarters and will advise the Board of their findings at this time. These suggested changes will be informally discussed prior to presenting the resolutions covering these changes. Their report and the formal resolutions were distributed to the Board.

The changes that are recommended at this point in time were presented. Some additional items may need to be addressed, but will be handled at the Annual Convention. Suggested changes to various Policy Manual sections were read and explained to the Board. Some clarification was required as questions were raised regarding each proposed change. These discussions continued for some time with additional suggestions for rewording being brought forth by the Board.

There were numerous suggested changes which did create extensive and lengthy discussion amongst the Board.

1236 Lunch

1510 Meeting Back On the Record

The meeting was brought back on the record after a lunch break and off the record discussions regarding Policy Manual changes. The Committee will be submitting resolutions for approval at a later time.

1510 Social Media Policy

At the Annual Convention, a proposed media policy suggested by Professor Mudd was presented to be reviewed by the Board. Additionally, Secretary Pharr had requested the social media policy in place for other unions involved in the Flight Attendant Coalition. He stated that he needs direction from the Board on the timeframe and contents of an APFA Social Media Policy. It was suggested that the originally submitted proposal be distributed along with other suggested items adopted from other union social media policies for review of legal counsel and then submitted to the Board for their input and eventual approval for addition to the Policy Manual.

1514 TREASURER'S REPORT

1514 Financial Review

The First Quarter Financial Review was distributed to the Board. The Treasurer will review the financials as of August 31, 2012 with the Board as the September numbers are not yet available. The Treasurer spoke to the financial statement as pertained to various accounts, assets, liabilities and income. Additionally, the Treasurer reviewed the NNRF fund during this report.

1518 Telephone Hotline

The 800 number was brought into question as to its necessity at this point in time. The 800 number cost over \$20,000 last year. There are only 85 to 125 calls received on the 800 number line per month. Approximately 11,000 flight attendants utilize email for the hotline. A question was raised regarding the individual voice mailboxes at APFA for union reps and the cost. It was determined that a number of these options are part of the telephone package from AT&T. The Treasurer will get more information about this. It was determined that the will of the Board was to keep the telephone hotline but utilize the 817 line versus paying for the 800 number, which is a separate service. It was felt that more flight attendants utilized their cell phones negating the need for a toll-free line. Some additional research must be done regarding the ability of the APFA phone system, as is, to handle a hotline.

1537 Resolution #3 – Telephone Hotline

Maker: Greg Gunter

Second: O’Kelley

Resolution #3 was read into the record by the maker, Treasurer Gunter. This resolution speaks to eliminating the 800 toll-free telephone number for the hotline. This resolution states that the hotline will be distributed via email. As the discussion regarding Resolution #3 continued, several additional ideas and suggestions were received for re-establishing a telephone hotline. Resolution #3 was put forth for a roll call vote and was passed unanimously (16 yes, 0 no).

1548 Resolution #4 – Investment Policy Statement

Maker: Gunter

Second: Breckenridge

Resolution #4 was read into the record by the maker, Treasurer Gunter. This resolution speaks to a formal Investment Policy Statement as suggested by Wells Fargo. This resolution was opened to discussion. This provides a guideline for the APFA financial advisors outlining where APFA monies can or cannot be invested. This resolution was put forth for a roll call vote and was passed unanimously (16 yes, 0 no).

1551 Headquarters Computers

A meeting was held regarding the upgrading of the archaic computer system at APFA. It is imperative that this system be changed. It will not be an easy process and will take approximately six (6) months. Vice President Gluth explained in detail the benefits and efficiency created by this new system. The Company is called Union Ware, whose work is solely with unions. There is a monthly service, license and upgrade fee as well. It was felt that the fee could be negotiated as the APFA has an IT Department. APFA is still running individual computers with towers. This system will be wireless. Some financial specifics regarding hardware, etc., were discussed as previously researched by former treasurer, Steven Baumert. Additionally, there was extensive research on various companies by the former treasurer and

members of the APFA staff. This company was felt to be the best fit with the APFA. Treasurer Gunter spoke to various ways of funding this purchase.

The purpose of this discussion was to obtain the Board's approval to begin the process of upgrading the computer system. It was agreed that this upgrade/purchase is absolutely necessary at this point. The APFA has postponed this upgrade for quite some time. An evaluation of the current system would occur with the fee charged by Union Ware being applied to any purchase of equipment, programs or service. The Board approved the exploration of this change and will be advised of replacements, upgrades, etc. The Board will have the final approval of this expenditure.

1612 Resolution #5 – NNRF Funds Withdrawal

Maker: Gunter
Second: Casadey

Resolution #5 was read into the record by the maker, Treasurer Gunter. This resolution authorizes a withdrawal from the NNRF Fund. Resolution #5 was put forth for a roll call vote and was passed unanimously (16 yes, 0 no).

1616 Resolution #6 – Dues Obligation after Termination

Maker: Gunter
Second: Gluth

Resolution #6 was read into the record by the maker, Treasurer Gunter. This resolution amends the APFA Policy Manual, to include specific guidelines for dues obligation after termination. Treasurer Gunter spoke to the reason for this resolution. Vice President Gluth also spoke to the issue. Once a grievance is denied by the GRC (Grievance Review Committee) and the GAP (Grievance Appeal Panel), the individual is no longer dues obligated. Legal Counsel also spoke to the issue. A question was raised as to procedure if the person decides to take it forward on their own after denial by the GAP. The Union will provide two board members if an arbitration does occur. This resolution was put forth for roll call vote and was passed unanimously (16 yes, 0 no).

1630 Break

1805 Meeting Back On the Record

At this time, President Glading stated that a motion must be approved to continue the meeting past the nine (9) hour limit. A hand vote was taken and the meeting will be extended for one (1) hour.

A question was asked of the Treasurer concerning transition periods and the budgeting of extra funds during an election year. The Treasurer is not aware of this practice and had been a member of the Budget Committee in the last few years. This question will be researched.

1807 Resolution #7 – Changes to the Policy Manual

Maker: Pharr

Second: Alconcher

Resolution #7 was read into the record by the maker, Secretary Pharr. This resolution speaks to changes needed to the Policy Manual following the LBFO and its implementation. Additionally, this resolution contains other changes or clarifications discovered during this research by the Policy Manual Committee. These additions and revisions were discussed previously during the Secretary's Report and while off the record. Resolution #7 was put forth for a roll call vote and was passed unanimously (16 yes, 0 no).

1817 OLD BUSINESS

1817 Interim National Officer

This agenda item will be postponed until the Annual Convention.

1817 Policy Manual Section & General Policies – Postponed Indefinitely

The three agenda items shown under Policy Manual Section and General Policies: Hostile Work Environment, Sexual Harassment Policy and Complaint Procedure have been postponed following off the record discussions. The Board Member requesting these discussions agreed to postpone indefinitely in the spirit of cooperation and to foster trust and unity.

1818 Changes to Article II and IV of the APFA Constitution

This agenda item will be postponed until the Annual Convention.

1818 Authorization of Referendum for Constitutional Changes

This agenda item will be postponed until the Annual Convention.

1819 NEW BUSINESS

1819 International Override – Withdrawn

1819 On Duty Contract Guide

This discussion concerned an On Duty Contract Guide with the changes that have occurred under the LBFO. A guide will be issued with the appropriate effective dates.

1820 National Officers at Headquarters

This agenda item will be postponed until the Annual Convention

1820 Agenda Items/Teleconferences

It was requested that the agenda and/or resolutions of a Board teleconference be given to the participants prior to the call for review. Discussion of a specific teleconference occurred and opinions shared regarding this particular Board teleconference. President Glading stated that this would not occur again and at the very least, a break in the call would be given to allow participants time for reflection on the issue.

1825 Resolution #8 – Optional Exchange on Reserve

Maker: Weston
Second: Breckenridge

Resolution #8 was read into the record by the maker, Weston. This resolution speaks to the ability of flight attendants to pick up trips while on a reserve schedule and being paid on top of their guarantee. The resolution requests of the Negotiating Team, that this be accomplished by November 1, 2012. This allows flight attendants to make up some of the lost pay they have incurred. Resolution #8 was put forth for a roll call vote and was passed unanimously (16 yes, 0 no).

1827 Chairperson Availability – Withdrawn

1828 Resolution #9 – Edward M. Kennedy Award – Debbie Wasserman Schultz

Maker: Trautman
Second: Pharr

Resolution #9 was read into the record by the maker, Trautman. This resolution names Debbie Wasserman-Schultz as the recipient of the annual Edward M. Kennedy Award presented at the Annual Convention of the APFA. Ms. Wasserman-Schultz has been dedicated to protecting the rights of the American worker and the labor movement. She also has worked tirelessly on eliminating gender based pay discrimination. She is very supportive of the APFA and its issues. This resolution was put forth for a roll call vote and was passed unanimously (16 yes, 0 no).

1832 Motion to Adjourn

Maker: Breckenridge
Second: Casadey

With no objection, the APFA 2012 Fall Board Meeting was officially adjourned.