

**MERGER TRANSITION AGREEMENT AMONG AMERICAN AIRLINES, INC.,
US AIRWAYS, INC., THE ASSOCIATION OF PROFESSIONAL FLIGHT
ATTENDANTS, AND THE ASSOCIATION OF FLIGHT ATTENDANTS**

This Merger Transition Agreement ("MTA") is entered into by American Airlines, Inc. ("American"), US Airways, Inc. ("US Airways") (together with American, the "Company"), the Association of Professional Flight Attendants ("APFA") and the Association of Flight Attendants ("AFA") (together with APFA, the "Unions") (collectively, the "Parties") pursuant to the Railway Labor Act, 45 U.S.C. §§ 151, *et seq.*

1. The Company shall continue to recognize AFA as the collective bargaining representative of US Airways flight attendants and APFA as the representative of American Airlines flight attendants until a representative for the single flight attendant craft or class is certified by the National Mediation Board (the "NMB.")
2. Seniority List Integration
 - a. The seniority lists of US Airways flight attendants and American Airlines flight attendants shall be integrated in accordance with McCaskill-Bond and submitted to the Company for acceptance. The Company shall accept such integrated seniority list, including conditions and restrictions, if such list and the conditions and restrictions comply with the following criteria:
 - i. There shall be no "system flush" whereby an active flight attendant may displace any other active flight attendant from the latter's position; and
 - ii. Flight attendants on the furlough list as of the date of implementation of the combined seniority list may not bump/displace active flight attendants as a result of the integration of the seniority list; and
 - iii. The integrated seniority system does not cause or contribute to the incurring of back pay, increased costs associated with training or company-paid moves, or payment of premiums for flying not actually performed.
 - b. The Company shall cooperate and respond to reasonable requests by the Unions for flight attendant employment data necessary for the seniority integration.
 - c. The integrated seniority list shall be provided to the Company no later than the National Mediation Board's certification of a single representative of the flight attendant craft and class at American Airlines or August 1, 2014, whichever comes first. The Company may not use the integrated flight attendant seniority list prior to the effective date of the Joint Collective Bargaining Agreement ("JCBA").

3. During the period of separate operations, the Company shall provide the following protections. For purposes of this Paragraph, the period of separate operations shall be defined as the period of time prior to the earlier of (i) the issuance of a single operating certificate; or (ii) the effective date of the JCBA except the protections specified in Paragraphs 3.c, 3.h, 3.i, and 3.j, shall continue to the effective date of the JCBA.
 - a. The Company shall not utilize in its flight operations of one airline a flight attendant employed by the other airline, except for flight attendants hired from one airline by the other pursuant to Paragraph 3.c., below or as may be needed to comply with conditions prescribed by a governmental agency for the purpose of transition to, and eventual operation under, a single operating certificate. The Unions, as applicable, shall support the efforts of the Company to obtain issuance of the single operating certificate. Flight attendants may be required to deadhead on the aircraft of either American or US Airways according to the provisions of their respective collective bargaining agreements.
 - b. Except for the circumstances described in Paragraph 3.a. above, no flight attendant of either US Airways or American shall fly as a crewmember on an aircraft in the Fleet of the other airline. The "Fleet" of each airline shall be defined to include all aircraft in the service of or stored by the airline or on order or option by the airline, as specified in the agreement between APA, USAPA, US Airways and American Airlines dated August 20, 2012 ("Pilot MOU"). A list of all aircraft in the respective Fleets of the Company is included as Attachment A. All orders, options, and anticipated returns set forth in the airlines' fleet plans are included as Attachment B. Any new aircraft shall be allocated between the Parties as specified in the Pilot MOU.
 - c. In the event any flight attendants are on the furlough list at either American Airlines or US Airways, the Company and the Unions shall negotiate a procedure for furloughed flight attendants to work at the other carrier prior to the effective date of the JCBA.
 - d. The total number of aircraft block hours scheduled to be flown by mainline US Airways flight attendants (excluding Group I aircraft as defined in the existing APA /AA agreement) during any rolling 12-month look-back period shall be no less than 1,101,276.
 - e. The total number of aircraft block hours scheduled to be flown by mainline American Airlines flight attendants (excluding Group I aircraft) during any rolling 12-month look-back period shall be no less than 1,995,663 hours.
 - f. For purposes of this Paragraph 3, block hours scheduled to be flown for a given month shall be determined by reference to the airline's published pairings. The Company shall furnish the block hour data to the Unions during the month prior to the first day of each month, concurrent with the distribution of such data to the Pilot Union. The term block hour shall be defined as per the Pilot MOU.

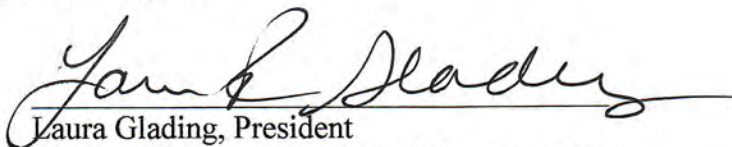
- g. Specific Route Protections: Same protections as provided to the pilots in Subparagraphs 8(m), (n) and (o) of the Pilot MOU.
 - h. The Company shall maintain separate bases/domiciles in Washington, DC until the effective date of the JCBA, although this shall not prevent the Company from utilizing the same facilities and crew lounges at the Washington, DC base/domicile.
 - i. The Company shall not establish TDY positions at a flight attendant domicile/base of the other airline.
 - j. No flight attendant who has established and maintained seniority on the US Airways or American Airlines mainline system as of December 9, 2013 shall be furloughed prior to the effective date of a JCBA.
 - k. All of the provisions of this Paragraph 3 shall be subject to Paragraph 7, below.
4. Effective as soon as practicable, US Airways flight attendants may utilize an American Airlines flight attendant jumpseat at a priority below American Airlines flight attendants. The order of priority on American Airlines aircraft shall be American Airlines flight attendants, US Airways flight attendants, Envoy flight attendants, and US Airways wholly-owned carrier flight attendants. American Airlines flight attendants may utilize a US Airways flight attendant jumpseat at a priority below US Airways flight attendants. The order of priority on US Airways aircraft shall be US Airways flight attendants, American Airlines flight attendants, US Airways wholly-owned carrier flight attendants, and Envoy flight attendants. Flight attendants shall utilize the flight attendant jumpseat policy and boarding priority applicable to flight attendants of the carrier the flight attendant jumpseat is on.
5. The Company agrees to provide any information necessary for the Unions to file a single carrier petition with the NMB. The Unions will file a single carrier petition no later than June 9, 2014.
6. Except as expressly provided otherwise in this MTA, any dispute over the interpretation or application of this MTA shall be resolved in accordance with this provision. Any such dispute must be submitted jointly by AFA and APFA or the Company and shall be arbitrated on an expedited basis directly before a specially-created one-person System Board of Adjustment consisting of arbitrator Richard Bloch or Josh Javits, whoever shall be available to hear the dispute earliest. If Arbitrator Bloch or Arbitrator Javits declines to serve in this capacity or is not available to resolve the dispute, another neutral arbitrator shall be selected. The dispute shall be heard no later than thirty (30) days following the submission to the System Board (subject to the availability of the arbitrator), and shall be decided no later than thirty (30) days following the first day of the hearing, unless otherwise agreed to in writing. If the Unions are unable to reach agreement as to whether there is a violation of this Agreement, the Unions shall utilize

mediation and/or arbitration to establish a position prior to submitting the dispute to the Company; in that event of a dispute between the Unions, the Unions shall mutually agree on a mediator and/or arbitrator.

7. The provisions described in Paragraph 3 shall not apply in circumstances where the Company's non-compliance is caused in substantial part by Conditions Beyond The Company's Control. "Conditions Beyond The Company's Control" shall include, but not be limited to, the following: (1) an act of God; (2) a strike by any other Company employee group or the employees of a Commuter Air Carrier operating pursuant to an authorized codeshare arrangement with the Company; (3) a national emergency; (4) involuntary revocation of the Company's operating certificate(s); (5) grounding of a substantial number of the Company's aircraft; (6) a reduction in the Company's operation resulting from a decrease in available fuel supply caused by either governmental action or by commercial suppliers being unable to meet the Company's demands; and (7) the unavailability of aircraft scheduled for delivery.

8. This MTA may be modified only by written agreement between the Unions and the Company. It does not alter or modify any term of any agreement between one or both of the Unions and the Company, which remain in full force and effect in accordance with their terms, except as set forth herein. This MTA shall govern in case of conflict between one of its terms and a provision of a collective bargaining agreement between either of the Unions and the Company and shall remain in effect in accordance with its terms until each of the provisions herein has been fulfilled, unless sooner terminated by written agreement of the Unions and the Company.

Accepted and Agreed:



Laura Glading, President
Association of Professional Flight Attendants

Date: 4-24-14



Veda Shook, International President
Association of Flight Attendants-CWA, AFL-CIO

Date: 4-30-14



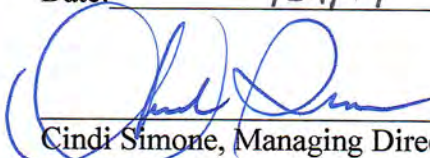
Roger Holmin, MEC President US Airways
Association of Flight Attendants-CWA, AFL-CIO

Date: 4/24/14



Paul D. Jones, Senior Vice President, General Counsel and Chief Compliance Officer
American Airlines Group Inc., American Airlines, Inc., US Airways Group, Inc., and
US Airways, Inc.

Date: 4/24/14



Cindi Simone, Managing Director – Labor Relations
American Airlines Group Inc., American Airlines, Inc., US Airways Group, Inc., and
US Airways, Inc.

Date: 4/24/14