

**APFA
SPECIAL BOARD OF DIRECTORS' MEETING**

**Hilton DFW Lakes Hotel
Grapevine, Texas
June 19-22, 2013**

1517 Call to Order

President Glading called the Special Board of Directors Meeting to order.

1517 Roll Call

Secretary Pharr took the roll call of those present for this special session. All members of the APFA Board of Directors were present.

1518 President's Remarks

President Glading explained that the agenda would be rearranged significantly. Rob Clayman and Jefferies & Company were meeting with the Company, APA and the TWU at the present time and unable to be at this meeting. The meeting with the Company was set up by the APFA concerning the claim within the UCC. The nuances of the distribution in this unique situation were being discussed. President Glading explained all issues that would be discussed at this meeting and the reasons for these concerns. These individuals will be attending the Board Meeting tomorrow at 9:00 am. Dan Akins will be arriving on Friday and will do an industry report including valuation of contracts in preparation for the next round of negotiations. Doug Parker and Steve Johnson will be attending the Board Meeting on Friday morning. Mark Richard will also be attending this Board Meeting.

President Glading shared information from the Executive Committee Meeting. President Glading asked the Board to review the submitted Coordinator's Reports. The bankruptcy proceeding is still on track to be completed by August 30, 2013. There is some concern regarding DOJ issues regarding the size of the new American out of Washington, D.C. Senate hearings will be held and APFA reps will be attending. The work on the new uniform with Kaufman & Franco is going well. The O'Neil's will be attending the meeting as well tomorrow with an update concerning the hearings on the slot issues.

1530 Agenda Change and/or Revision

At this point, President Glading began the extensive revision of the agenda for this Special Board Meeting. Several changes were made by the President prior to being opened to the Board for additions/revisions. Additional revisions and additions were submitted by members of the Board.

1537 Resolution #1A – Amend the Agenda
Maker: Glading
Second: Pharr

Resolution #1A was read into the record by the maker, Glading. This resolution amends the original suggested agenda as presented. Resolution #1A was put forth for a hand vote and was passed.

1539 Resolution #1 – Approve the Agenda
Maker: Glading
Second: Pharr

Resolution #1 was presented by the maker, Glading. This resolution approves the agenda as amended. A roll call vote was taken and this resolution was passed. (15 yes, 1 no)

1540 Senator Blunt/Representative Clay

President Glading will report on a meeting with the subject individuals. This will be done off the record.

1541 Meeting Taken Off the Record

1912 Meeting Back On the Record

At this time, the meeting was recessed for the evening.

DAY TWO
June 20, 2013
Special Board of Directors Meeting

0933 Call to Order

President Glading called the Special Board of Directors Meeting to order.

0934 Roll Call

Secretary Pharr took the roll call at this time. All members were present.

0935 Presentation – Jefferies Group & Rob Clayman

A Creditors Meeting was held on Tuesday. The Disclosure Statement, which will accompany the Reorganization Plan, is to be mailed to all creditors and will be voted on. The votes will be tallied sometime in August in anticipation of the Confirmation Hearing, which is scheduled for August 15th. There will be a hearing with the bankruptcy judge on August 15th and he will review the Plan, confirm the Plan and the effective date would not be sooner than the 7th business day after confirmation.

There are two other parts to be completed before American can exit bankruptcy. The first is that the current US Airways stockholders have to vote on the merger and results announced on July 12th. The second step is the Department of Justice review and approval. There have been some claims of an anti-competitive effect forcing fares up and not in the public interest. It is not clear when this review will be completed. If not completed by the 15th of August, it could push back the exit date from bankruptcy. A major issue is the slots at DCA. After the merger, American/US Airways would control 67%. If the slots are taken by other carriers, the smaller markets fear termination of their service and pressure for approval has been exerted by these smaller markets. Another issue has been raised by the European Regulatory Review, which has concerns about the LHR-PHL service, but is not considered to be a major issue. A question was raised regarding the timeframe for the DOJ review. This is unprecedented as an airline merger has never taken place within a bankruptcy proceeding so there is pressure being brought to expedite this approval/disapproval. Most involved do not feel there should be a problem with the approval process.

This portion of the presentation concerned the meeting with the Company regarding the logistics for the equity distribution. This is a very complex issue involving several issues including payroll tax implications, individual allocations, timing of sale of stock to cover taxes, etc. Regular meetings will be taking place over the next couple of months to resolve the issues as they arise. An interesting issue concerning the labor unions that has been discussed is putting the equity distribution directly into a 401K account. Previously, it had been stated that this was not possible; however, during the meeting yesterday it was stated it may be a possibility. The amount of equity being discussed as pertains to the APFA membership is 3% of the value of the stock distribution to American. This will be considered income (W-2); hence, the tax issues.

There are extremely complex issues involved at this point. The stock price will be affected by the number of shares being traded on the first day. This is the reasoning behind the distribution being done in increments so as not to flood the market and bring the stock price down. This is the most difficult issue at this point.

In relation to the 401K percentage, it must be uniform within each union. It cannot be an individual decision regarding the percentage. This does not affect your annual 401K max amounts. If this option is offered, it must be completely uniform. All must opt for 401K option at the same percentage. In other words, everyone must participate and each individual will defer the same percentage to the 401K. Once again the point was made that it must be completely uniform – all must participate and at the same amount.

The discussion turned to the total distribution to unsecured, secured and current stock-holding individuals/entities on the first day of emergence from bankruptcy. The question was would this also create a flood of the market in stock sales. It was felt that the institutional investors would hold stock.

Questions were raised as to how the percentage of contribution to the 401K could be determined. The process of putting this issue to a membership vote was extensively discussed. Several questions were raised that the advisors had to research. A consensus of the Board agreed that the 401K option should be put forth for a vote of the membership. Additionally, it was agreed, by consensus of the Board, that multiple percentage choices be offered. The percentage with the highest number of votes would be selected. Different methods of selection were suggested and extensively discussed by the advisors and members of the Board. The 401K option would be applied to each of the disbursements.

The discussion then turned to the voting process itself and the time involved, which again created a lengthy discussion period. It was agreed to discuss with the Company the amount of time needed regarding the APFA decision regarding 401K option. The Company will be issuing a letter next week which basically incorporates the information shared during the meeting regarding the 401K and what information they need from the Unions to have the accounts established. The question was again raised whether it would be a majority of the vote or an averaging of the percentages selected. The various percentages to be shown on the ballot were discussed by the Board. An explanation was given regarding the choice between a percentage average or a singular percentage rate prevailing. The Company just presented the 401K contribution as an option for the distribution within the last day. Several unanswered questions were raised during this 401K discussion.

1053 Break

1118 Meeting Back On the Record

There was a discussion regarding cash instead of stock at a previous meeting. The problem was that when such large blocks of stock are sold, the price would be discounted if done before exit from bankruptcy. The APFA financial advisors have considered this option, but feel at this point

it is not the best option. The discount issue is of concern; however, the APFA is leaving the option open.

The question was raised why each individual does not have the option to determine if and what amount should be deferred to their 401K. The Company has stated that this is not possible and legal counsel will research this further. The differences between the maximum amounts allowed for contribution to a 401K for employee and employer contributions were discussed.

President Glading asked the Board for clarification regarding the Board's opinion on sending out a ballot concerning the 401K option. It was agreed that this issue should be submitted to the membership for vote by a majority of the Board.

The advisers will be meeting to answer the questions raised by the Board and will return to the meeting. Additional discussion occurred amongst the Board regarding the maximum contribution to the 401K at specific times of the year.

1135 Senate Hearings

O'Neil & Associates and Julie Frederick briefed the Board regarding the Senate hearing concerning the merger held June 19th. The main discussion during the hearing focused on the number of slots, as it was in previous meetings. Doug Parker was testifying on behalf of US Airways, Gary Kennedy, Senior Counsel for American Airlines presented an opening statement and the DOT. A consumer advocate presented the potential negative side of the merger. A representative of the Government Accounting Office also spoke and was basically was in favor. The service to the smaller markets was discussed. It is felt that this was the final hearing.

1142 Meeting Taken Off the Record

1153 Meeting Back On the Record

An additional thank you was extended to the Communications Coordinator and Safety and Security Coordinator for their hard work on the "No Knives" campaign.

1158 Reserve Issues

The Scheduling Coordinator, Clinton Breen, provided an update of the reserve issues. The Coordinator has been advised of a fully automated target date of the 1st quarter, 2014 for the AM/PM Reserve Program. It was felt this was an excessive amount of time to be fully implemented. The interim AM/PM program is scheduled for July 2nd at LGA, DCA, IDF and LAXI. The problems with this program were outlined and were numerous and complicated. The windows for contact have been reduced. Flight attendants will bid for the AM/PM slots. There was some concern about the implementation for the July 2nd date; however, the Company IT Department did find a solution mirroring a pilot program allowing balloting on the Flight Service website. This would enable crew schedule to work with the preferences. The program as outlined in the TA was reviewed as compared to the current implementation scheduled. This caused additional questions and discussion amongst the Board. President Glading was insistent

that the 30 in 7 be pulled back until the full automated program is in place. There had been discussions regarding the APFA's concern about this during the last management meeting. A presidential grievance will be filed if this is not done. Other participants in the meeting with the Company reiterated President Glading's understanding of the agreement made at that meeting regarding the 30 in 7 as pertained to the AM/PM program implementation. President Glading will contact Lauri Curtis during the break as it was understood to be an agreement reached during the meeting with the Company.

The Coordinator feels that a detailed explanation of the AM/PM program will be provided next week prior to its implementation. Only four bases will be utilizing this program initially and if successful will be extended to all bases.

Reserve numbers were discussed and the expected reductions. Some base numbers did not decrease due to the July 4th holiday. The Board discussed base specific reserve numbers and the reason for it. The new hires are serving a one on one off reserve, which seems to be relieving some of the seniority on reserve.

The Coordinator then spoke to the adjacent base assignments. There has not been any easy resolution to this problem. The Company negotiated the right to cross utilize reserves in the LBFO; however, what they have not been able to do successfully is to provide a transparent method of showing when a flight attendant may be used on the other operation. There is no general procedure of how crew schedule is making those assignments. Each base scheduler had a different answer. The Coordinator was attempting to eliminate same day assignment. The Company developed a guideline, which the Coordinator does not feel will be successful. This does limit same day assignment and attempts to have assignment made by 1800 on the previous day, exclusive of OSO. It is not felt that it will provide transparency. The Coordinator has worked very hard on this but feels it will not be resolved until there is a single list. The Board was not pleased with this resolution and it was felt a grievance should be filed.

The Company is trying to continue with the web ballot option including reserves. It is hoped to be put in place in the fall. The parking of trips was briefly discussed and the problems it can create. Duration plotting was also covered during this discussion. Several questions were brought forth and thoroughly discussed concerning this issue.

The question was asked if the new management team was aware of the issues discussed during this portion of the meeting. The answer was yes; however, are unable to intervene at this point in time.

President Glading stated that she had placed the call to Lauri Curtis but had to leave a message. She is awaiting a return call and will make sure she speaks with her as soon as possible regarding the 30 in 7 issue.

Once again, the discussion returned to the reserve situation and the high hours flown by these reserves at the larger bases. The smaller bases were not maxing out at 85 as the larger bases consistently are. The Coordinator was asked to have a representative from the Company appear before the Board concerning these extremely important issues which could affect the summer

operation. President Glading volunteered to make that call as well to enable some clarification of the serious reserve issues.

At this time, a brief pause in the meeting occurred while President Glading stepped out to take the call from Lauri Curtis. President Glading briefed the Board on her discussion with Laurie Curtis. Laurie Curtis was of the same opinion as President Glading that the two issues in question were resolved and would be pulled back. Lauri Curtis will get back to President Glading after speaking with the individuals involved in that particular meeting.

1252 Lunch Break

1407 Meeting Back On the Record

1410 Jefferies Group & Rob Clayman (Continuation)

The Jefferies Group and Rob Clayman had met to design a ballot for the 401K issue concerning the disbursement as previously discussed. The suggested ballot was presented to the Board via a power point slide. Some questions were raised by the Board regarding the percentages and the weighted averages. The question was still whether to simply utilize the majority vote number or an average of the percentages voted for. For any type of employer voluntary contribution, it is an IRS rule that the 401K percentage must be uniform across the Board. Additional questions arose regarding the ballot and this discussion/presentation will continue after a revision of the ballot.

1422 Peer Review Presentation

This program is called the Peer Review Committee (PERC). It originated in DFW and is successful. Vice President Gluth gave an overview of this program. This is an optional program for the bases and participation is not required. APFA feels it can be of value to the base; however, it is a decision made locally at the base. There are four flight attendant reps who meet each month with Flight Service. Flight Service hands the passenger letters, which have not been reviewed or read by them, to the flight attendant reps and leave the room. The reps then review the letters and determine the disposition; i.e., discard, speak with F/A, forward to legal, etc. If a second letter is received concerning the same flight attendant, another call is made to the flight attendant. If a third letter is received, a meeting will occur with Flight Service. This is not a punitive program within this Peer Review Committee. The reps speaking with the subject flight attendants are fellow line flight attendants. Flight attendants, as well as the base itself, can opt out of this program should they not wish to participate. A question was raised that brought forth the fact that Rule 32, aggression, drinking, theft and/or drugs are not handled by this committee. A suggestion was made that this should actually be a part of professional standards. It was stated that if letters received should not even be given a second glance, they can immediately be eliminated.

The consistency of the program and any punitive action by the Company outside of the program where a base or individual opted out was discussed. Also raised was the question of

confidentiality. The discussion centered on this program being adopted by all bases or none. Positive points concerning both sides of the issue were brought forth.

The script used during the call to the flight attendant regarding these customer service letters was read to the Board. This call totally explains the entire program at the time of the first call. The presentation explained the communication during the initial call and the information that is shared and requested.

This program does not cost the APFA anything. If a trip removal is involved for one of the reps, it is an SA – Special Assignment removal, provided by the Company. It was requested that a letter be sent to the flight attendants regarding this program and how it works. Also, concern was expressed about flight attendants being willing to volunteer to work this new program. This program has been utilized at DFW/IDF for approximately one year.

Vice President Gluth and President Glading spoke to the program. The bases were asked to decide so that the appropriate training could take place.

1517 Meeting Taken Off the Record

1533 Meeting Back On the Record

1533 Dan Akins Presentation – Airline Industry Update

Dan Akins, airline economist, began his presentation to the Board. He spoke to the positive changes that have and continue to happen with this airline. He gave a brief overview of the airline industry worldwide. A graph was displayed showing the worldwide combined airline industry profits. There was a 20% jump upward from March through June. This is about a 50% increase from last year. It is felt that the airline business is becoming more predictable with three global worldwide carriers. The cost of crude oil and its effect on the airlines at this time was discussed as pertains to the extra fees now utilized to cover this cost. He spoke to the remaining small carriers and the problems they are facing as well as the niche carriers. Most changes have taken place since 2008 with Delta's merge. It pointed out that mergers must take place to create a truly global airline to compete. There is now a convergence occurring of labor rates.

An additional chart highlighting profit margins of several airlines was discussed. The point was being made and information shared of where we were prior and where the Company is going now. The toxic culture of the company was discussed and how this became apparent during the bankruptcy hearings. It was felt by management that this would be a cookie cutter bankruptcy for American Airlines. Labor was being blamed for the inability to compete, but it became apparent that American Airlines alone could not compete against the two previously merged international airlines.

The focus shifted to determining the value of the stock and why it is so difficult. Other mergers have happened after the bankruptcy process; whereas, this merger is creating the world's largest carrier within the bankruptcy. This has never happened. This merger will be creating a totally fresh start for this company under a new team. A synergies chart was discussed and explained

by revenue and cost. Within this new management culture is the positive of a smaller management team. Another chart showed how the value of the Company improved with the merger as creditors and equity would get returns.

There is still a challenge ahead during the integration of the two companies. Challenging issues can tend to linger for a few years and should not be underestimated. When people come in to run a company, things will change. Change can be difficult. There is a good pathway to the future and hopefully will return to an excellent career position for flight attendants

President Glading shared some experiences with Dan Akins during this year and a half process. This presentation was opened to questions at this time. The Board asked some questions that will be answered during another presentation and report. Dan Akins is working on a report concerning valuation of contracts for the next round of negotiations, but it is not totally concluded and will be presented at a later date. Southwest was discussed extensively as to their plans for the future and DFW. The competition between JetBlue and Virgin America was also discussed. Their labor costs will be rising, which will cause airfares to increase. JetBlue is creating first class on their transcon flights. A discussion began regarding Alaska Airlines and the fact that Delta may begin to compete with them out of Seattle.

1630 Break

1641 Meeting Back On the Record

1642 AA Military Initiatives

Jim Palmersheim, Managing Director of Military & Veterans Initiatives at American Airlines began his presentation to the Board. Jim is a Super 80 Captain with American Airlines and is retired military. He explained how he became involved in this program. It was through his wife, a teacher at Grapevine Elementary School, who realized when teaching a class that her students knew very little about the Viet Nam War. Jim had been flying a helicopter with other American pilots to various events honoring those Viet Nam veterans. This helicopter and a Viet Nam veteran visited the school and the interest by the students in the veteran's experiences was astounding. It was decided then to visit other schools and locations. Subsequently, a film called "In the Shadow of the Blade" was made. American Airlines became involved at that point, through Gerard Arpey. That helicopter toured the US visiting schools, museums, military academies, cemeteries and organizations and eventually was donated to the American Museum of Natural History in Washington, D.C. in 2004. Since 2006, the Military & Veterans Initiative was created by American Airlines. Jim mentioned that the flight attendants are the contact for these soldiers and the Gold Star Families, which are families of fallen soldiers. He emphasized how important the respect shown is to these soldiers and their families and the positive impact it creates. American Airlines was started by CR Smith, a two-star general in World War II who is buried at Arlington National Cemetery, so there is a historical connection with the military. CRAF Missions have always been flown by American Airlines starting with the Viet Nam War.

This Initiative partners with Gary Sinise's Foundation which honors our veterans, first responders and their families. Their mission is to build awareness and community support.

Another mission is to build homes for any triple or quadruple amputees. Additionally, this Foundation provided school supplies during a visit to the soldiers in Afghanistan. A history of the “yellow ribbon” campaign was explained as pertains to this Initiative. American Airlines has the American flag on the tail of every aircraft and a yellow ribbon on three.

Jim explained the many, many programs, including the mentoring of severely injured service men and women, involved in this Initiative. American Airlines also partners with the USO in many ways. The Fuel Smart Program was discussed and how it helps fund various efforts of the Military & Veterans Initiative, including Air Compassion for Veterans. Several events were specifically discussed including the Snowball Express and Sky Ball. The Medal of Honor recipients are always given special VIP treatment on American Airlines including lifetime Executive Platinum and Admiral’s Club memberships. Jim Palmersheim encouraged all to become involved.

1743 Jefferies Group & Rob Clayman (Continuation)

A revised ballot was presented to the Board via power point for discussion and approval. This pertains to the 401K option for the equity distribution. This new ballot simplified the previous form and provided for a yes/no on 401K contribution via 0% contribution. Should a majority wish to contribute, it would be a weighted average.

This form generated several differences in opinion amongst the Board. The responsibility put on the Board of Directors concerning this issue was discussed extensively. At this time, it was requested that the meeting be taken off the record.

1754 Meeting Taken Off the Record

1901 Meeting Back On the Record

A motion to recess the meeting for the evening was made. By consensus of the Board, the meeting was recessed until 9:00 AM, June 21st.

DAY THREE
June 21, 2013
Special Board of Directors' Meeting

0900 Call to Order

The meeting was called to order and discussions held off the record.

1248 Roll Call

At this time, Secretary Pharr took the roll call of Board Members present as the meeting was brought back on the record.

1249 Seniority Integration

Several individuals have been involved in working on this list along with the Contract Coordinator, Brent Peterson. This information is important as US Airways seniority starts at the beginning of training versus American Airlines, which begins post initial training. This list is by still being compiled and is by no means completed nor final. At this point, 35.75 days of training is the average of the data available and a 3 day delay in being put on payroll. The object is not to change relative seniority but to treat all equitably. The adjustment will be the same for everyone. There will be no leapfrogging of seniority. The US Airways list is complete and they are anxious for the integration. The CLA provides for reimbursement of expenses for the seniority integration issue; therefore, President Glading stated that if there were any individuals who wished to assist in this effort to please step forward. The Board of Directors will decide the final adjustment number to be applied. If two individuals have the same seniority date, age will determine the senior one as was done during initial training.

1307 Lunch Break

1651 Meeting Back On the Record

President Glading announced the results of the APA Elections, which were forwarded to her during the lunch break.

1653 Resolution #2 – Policy Manual Updates – Negotiator's Vacation

Maker: Pharr

Second: Gunter

Resolution #2 was read into the record by the maker, Secretary Pharr. This resolution speaks to revisions of the Policy Manual concerning negotiator's ability to cash out or defer vacation days as relates to the CBA negotiations. The scheduling of vacation days must have two officers' approval. The resolution was opened to discussion. Clarification questions were asked regarding first paragraph of subject resolution. The reasons for the initial changes were discussed. Suggestions for amendment were brought forth. The resolution wording will be

revised to read vacation payback will be 4 hours on the effective date of the plan of reorganization. Legal Counsel was asked for an opinion regarding the deferrals still pending of the 2008 Negotiating Team. It was requested to take the meeting off the record briefly.

1715 Meeting Taken Off the Record

1720 Meeting Back On the Record

Legal Counsel will rewrite the subject resolution #2 and it will be presented later in the meeting. Some clarification was requested concerning the revisions to this resolution.

1725 NEW BUSINESS

1725 Resolution #3 – IMA Purser Proffer

Maker: Lewis

Second: Casadey

Resolution #3 was read into the record by the maker, Lewis. This resolution speaks to the waiving of Article 34B (1-2-3) in conjunction with the purser proffers in Miami. The maker spoke to his reasons for the resolution and then opened the subject for discussion by the Board. Vice President Gluth and the maker engaged in discussion regarding this proffer. Vice President Gluth spoke to the fact that IMA is the only base in the system that does not have enough pursers to cover all the lines. Non-qualified pursers are being sent out on trips.

1730 Meeting Taken Off the Record

1731 Meeting Back On the Record

The purser proffers have not worked so far, so this program is the result of an attempt to resolve the shortage. This solution has produced results and is a one-time only exception to Article 34B. President Glading also provided the detailed reasoning behind this exception to the Contract.

The maker was asked to withdraw the resolution, which was declined. The discussions continued. Another base stated that they will be in the same position as Miami with an extreme shortage of pursers and are willing to support this exception to see if it solves the problem. Another Board member strongly expressed his displeasure with the exception granted and the relief it gives the Company and the broken Purser Program.

The question was called and failed so this discussion continued. Another base expressed their problem as their junior people were transferring to IMA and not relieving the reserve situation at that base. Vice President Gluth clarified some of his previous comments made during this lengthy discussion. President Glading also spoke to this issue. The maker spoke to his reasoning for his objection to this Letter of Agreement. He is trying to avoid any backlash at other bases especially JFK. President Glading will be in New York on June 26th and will be happy to address this issue at a local meeting. Questions were asked of the maker regarding his objections by members of the Board. The maker felt this was enabling the Company to continue this poor

program instead of fixing or improving the program. This discussion continued for some time with two distinctly opposite opinions regarding this issue.

President Glading stated that as a result of this discussion, that from this time forward should a Letter of Agreement be considered, the Board would be advised. The Board would not be required to approve the letter, simply to be advised of the action being taken. The Board asked for revisions to this resolution. The maker spoke again to his reason for the resolution. At this time, the maker withdrew Resolution #3.

1810 Resolution #2 – Policy Manual Updates (revised)

The revised Resolution #2 was read into the record by the maker, Secretary Pharr. This resolution speaks to Negotiators' Vacation and Policy Manual revisions pertaining. This resolution was open to discussion, which was brief. This resolution was put forth for a roll call vote and was passed. (15 yes, 1 no)

1815 Resolution #4 – Base Budget Adjustments
Maker: Bedwell
Second: McPherson

Resolution # 4 will be presented; however, discussions did occur prior to the reading of the resolution. This resolution will request a review of the budgets bi-annually versus only once per year. The question was raised whether it was the entire budget that need be reviewed rather than just the base budgets due to growth or decline in numbers of flight attendants. The problem of looking only at the bases was explained by the former treasurer. If one base increases and is given more dollars, it would be taken from another base, which may not have increased as much. It was felt that the dues projection must be considered and other avenues within the budget. Essentially, the entire budget must be reviewed bi-annually. It was felt it would not be as extensive as the annual review but more of an adjustment.

Resolution #4 was now read into the record by the maker, Bedwell. This resolution speaks to a bi-annual review of the APFA budget by the Budget Committee and includes the Policy Manual revision. The individual base counts were discussed. The Treasurer spoke to this issue. He stated that the budget is a guideline and all factors are considered if a base is over budget. The timing of the bi-annual review was a topic of discussion. It was suggested to wait until the fall when major changes will most likely take place. The disposition of Resolution #4 was unclear.

The time limit of nine (9) hours for the Board Meeting had been reached. By a consensus of the Board, the meeting time was extended.

1834 Dues Arrears Access to Website

The Board was asked for their opinion regarding the ability of those in dues arrears position to access the secured APFA website. At the current time, if information is for all to see, it will be on the unsecured side of the website. The Board was not willing to change the no access policy for those in dues arrears.

1836 Break

1851 Meeting Back On the Record

1851 President's Negotiator Appointments

The President must appoint two negotiators, one international and one domestic. President Glading selected Debbie Dent as the Domestic Negotiator and Lenny Aurigemma as the International Negotiator. Both individuals accepted the position.

1852 Board of Directors' Appointments

The question of procedure was discussed. It was determined that an informal paper ballot would be utilized. The international negotiator would be nominated first. After the ballot count, Randy Trautman was unanimously elected to the Negotiating Committee as the Board of Directors' international appointee.

1858 Resolution #5 – Appointment of International Negotiator

Maker: Pharr

Second: Nikides

Resolution #5 was read into the record by the maker, Secretary Pharr. This resolution appoints Randy Trautman as the international representative on the Negotiating Committee.

This process was repeated for the domestic appointee. This balloting process yielded a tie. How to proceed from this point was discussed. A candidate wished to address the Board. A vote on this request also produced a tie. It was decided to go off the record and the Board only would discuss this issue.

1905 Meeting Taken Off the Record

2116 Meeting Back On the Record

It was decided to recess for the evening. By consensus of the Board of Directors, the meeting was recessed until the morning of June 22nd.

DAY FOUR
June 22, 2013
Special Board of Directors' Meeting

0930 Call to Order

President Glading called the meeting to order.

0931 Roll Call

Secretary Pharr took the roll call of those present at the meeting.

0932 401K Discussion (continued)

At this time, the conversation focused on legal issues with the disbursements and the 401K. More information would be forwarded to the Officers and Board on Monday. The ballot form was again discussed. Some members of the Board do not agree with the voting process which could, if the 401K option prevailed, force someone to contribute a portion of their disbursement into a 401K. The 401K is an option; however, all must contribute at the same percentage rate if it is utilized for this disbursement. It has been stated that it is not possible under the IRS rules for employer contributions to be done on an individual decision regarding 401K for contribution or percentage rate. The Board is awaiting confirmation of this statement from legal counsels and advisors. The APA and TWU are also unclear regarding this IRS rule and will be researching during the upcoming week. The Board will hold a conference call once all information is received.

The balloting of the flight attendants was discussed as to a timeframe. The Company had issued a deadline date even though this option was only presented to the APFA the day before. President Glading will attempt to have this date moved forward. The 401K election form was again discussed with straight forward limited choices.

0950 Resolution #6 – Domestic Negotiator Appointment
Maker: Pharr
Second: Trautman

Resolution #6 was read into the record by the maker, Secretary Pharr. This resolution appoints Margaret Barnes as the Board of Directors' Domestic Appointee to the Negotiating Committee. This resolution was passed unanimously.

0952 Motion to Adjourn
Maker: Moyer
Second: Casadey

A motion was made to adjourn the Special Board of Directors Meeting and was unanimously agreed to by the Board by a show of hands.