

SECTION 3 - COMPENSATION

- A. Effective the first day of the bid month following Date of Signing (DOS), a Flight Attendant on the payroll as a Flight Attendant shall be paid hourly rates as follows for all credited hours:

Years of Service	Effective Date				
	DOS	DOS+1 (2.75%)	DOS+2 (3.0%)	DOS+3 (3.0%)	DOS+4 (3.5%)
1st Year	\$35.82	\$36.81	\$37.91	\$39.05	\$40.42
2nd Year	\$37.97	\$39.01	\$40.18	\$41.39	\$42.84
3rd Year	\$40.40	\$41.51	\$42.76	\$44.04	\$45.58
4th Year	\$43.03	\$44.21	\$45.54	\$46.91	\$48.55
5th Year	\$47.39	\$48.69	\$50.15	\$51.65	\$53.46
6th Year	\$53.67	\$55.15	\$56.80	\$58.50	\$60.55
7th Year	\$59.21	\$60.84	\$62.67	\$64.55	\$66.81
8th Year	\$61.11	\$62.79	\$64.67	\$66.61	\$68.94
9th Year	\$62.80	\$64.53	\$66.47	\$68.46	\$70.86
10th Year	\$65.15	\$66.94	\$68.95	\$71.02	\$73.51
11th Year	\$66.94	\$68.78	\$70.84	\$72.97	\$75.52
12th Year	\$70.12	\$72.05	\$74.21	\$76.44	\$79.12
13th Year	\$82.24	\$84.50	\$87.04	\$89.65	\$92.79

B. MINIMUM MONTHLY GUARANTEES

- Each Lineholder shall receive a seventy-one (71) hour guarantee at their hourly rate.
- A Lineholder who voluntarily gives up a sequence(s) through the provisions of the Electronic Trade Board (ETB) or the Trip Trade System (TTS) to reduce their credited hours below seventy-one (71) hours shall have their applicable guarantee reduced accordingly.
- Each Reserve shall receive a seventy-five (75) hour guarantee at their hourly rate. A Reserve who is in active status for less than one (1) full month shall have their minimum guarantee prorated as follows:

Total available Reserve days X 3:56 (31-day month) or 4:10 (30-day month).

- A Flight Attendant who is in active service for less than one (1) full month shall have their minimum guarantee prorated as follows:

(Minimum Guarantee) ÷ (total number of days in the bid month) x the number of days on active status = Prorated Guarantee.

Reserve: 75 ÷ 30-day month = 2.5 75 ÷ 31-day month = 2.42
 Lineholder: 71 ÷ 30-day month = 2.37 71 ÷ 31-day month = 2.29

C. PURSER, LEAD, AND GALLEY POSITION PREMIUM PAY

Aircraft Type	DOMESTIC			INTERNATIONAL		
	Lead	Purser	Galley	NIPD Lead	IPD Purser/Lead	Galley
B737-800/900	\$3.25			\$3.25		
A319/A320	\$3.25			\$3.25		
A321	\$3.25			\$3.25		
A321T	\$4.75	\$5.75*	\$1.00***			
A321XLR	\$3.25		\$1.00	\$3.75	\$5.75	\$2.00**
B777	\$3.25	\$5.75*	\$1.00**	\$6.50	\$7.50	\$2.00**
B787	\$3.25		\$1.00	\$6.50	\$7.50	\$2.00**

NOTE: Rates shown are per hour.

All Purser positions require a Purser qualification.

*3-class Transcon only (if non-qualified Purser, premium rate is same as Purser rate).

** One (1) Galley position per class of service, i.e., three (3) class of service – three (3) Galley positions, two (2) class of service – two (2) Galley positions

***A321T will pay two (2) galley positions on three (3) class of service as provided in the September 21, 2020 Letter of Agreement (Side Letter L-XX).

D. BOARDING PAY

1. A Flight Attendant shall receive boarding pay for each flight segment actually boarded. The following provisions shall apply:
 - a. If a Flight Attendant boards a flight and all passengers deplane, the Flight Attendant shall receive the boarding pay for each boarding.
 - b. If a flight is boarded and the flight subsequently cancels, the Flight Attendant shall receive boarding pay for the boarding.
 - c. A Flight Attendant shall not receive boarding pay if they board a flight while on standby unless the Flight Attendant actually works the flight segments.
2. Boarding pay will be based on the scheduled boarding times in Section 11, 14 and 18, and shall be paid for all minutes of the established boarding time for the flight segment. As an exception, Boarding Pay in Paragraph D., will not apply to boarding as described in Section 18.E.
3. Boarding pay will be paid as pay no credit and shall be equal to one half the Flight Attendant's rate of pay as specified in Section 3.A and consistent with the chart below as subsequently amended.

E. HOLDING TIME

1. A Flight Attendant may be required to remain on duty with passengers on the aircraft at originating, intermediate, and terminating stations. Such required time on duty shall be considered "holding time" and shall not be considered as flight time for the purpose of flight time limitations.
2. At originating and intermediate stations when the ground time exceeds the scheduled ground time by thirty (30) minutes, a Flight Attendant shall receive seven dollars (\$7.00) per hour or fraction thereof, for all time spent with passengers, excluding ground time.
3. At crew change stations when required to remain with passengers while waiting for replacements beyond forty-five (45) minutes, a Flight Attendant shall receive seven dollars (\$7.00) per hour or fraction thereof.

Holding Time Examples:

Example 1)

Originating flight/originating crew scheduled departure - 0700; actual departure - 0735. A :35 minute holding claim is applicable. The Flight Attendant would receive seven dollars (\$7.00) of ground holding pay.

Example 2)

Through flight/through crew (no posted delay). Scheduled arrival - 0630; actual arrival - 0700; scheduled departure - 0715; actual departure - 0730. No holding claim results from this example; however, if the actual departure time would have been 0746 then a :31 minute holding claim would have resulted.

Example 3)

Through flight/through crew (posted delay). Actual arrival - 0700; posted delay in departure time - 0720; actual departure - 0751. A :31 minute holding claim is applicable, i.e., holding pay is triggered :31 minutes after the posted departure. The Flight Attendant would receive seven dollars (\$7.00) ground-holding pay.

Example 4)

Through flight/crew change (assuming late arrival of inbound flight). Holding claim triggered :31 minutes after the posted departure. The Flight Attendant would receive seven dollars (\$7.00) of ground-holding pay.

Example 5)

Originating flight/originating crew scheduled departure – 0700; actual departure – 0805. A 1:05 minute holding claim is applicable. The Flight Attendant would receive two (2) hours of ground holding pay. The Flight Attendant would receive fourteen dollars (\$14.00) of ground-holding pay.

F. UNDERSTAFFING PAY

Should a flight be dispatched with fewer than the number of Flight Attendants required by the staffing parameters in Scheduling, Section 10, each Flight Attendant working the flight will be compensated at the rate of ten dollars and fifty cents (\$10.50) per credited hour, prorated to the

nearest minute. In addition, the Flight Attendants operating these flights/sequences may use expedited service procedures.

G. INTERNATIONAL PAY

1. A Flight Attendant on an International Premium Destination (IPD) sequence will receive International Pay for all operating or deadheading segments scheduled in such sequence.
2. A Flight Attendant will be paid three dollars (\$3.00) for each hour or fraction thereof flown, prorated to the nearest minute, on Non-International Premium Destination (NIPD) flights.
3. A Flight Attendant will be paid three dollars and seventy-five cents (\$3.75) for each hour or fraction thereof flown, prorated to the nearest minute, on IPD sequences.

H. JURY DUTY PAY

1. If a Jury Duty summons is submitted to the Company before the PBS awards are final, a planned absence will be added for the day the Flight Attendant must appear/call in for jury duty and the following day. The Flight Attendant will receive a daily credit at the rate of four (4) hours and fifteen (15) minutes pay and credit per day.
2. If a jury duty summons is submitted to the Company after PBS awards are final and such jury duty assignment conflicts with a scheduled sequence, training day or day of availability, the Flight Attendant will be paid at the daily rate for the day scheduled to appear/call in for jury duty and the following day.
3. If the Flight Attendant is required to remain on call or is required to report for jury duty and the Flight Attendant is on duty or has a sequence conflict, the Flight Attendant will be paid the daily credit for each day of the jury duty obligation. If a Flight Attendant is required to report for jury duty, the Flight Attendant shall be eligible for pay protection at the daily rate for the following day (assuming the sequence operated on such date) but not thereafter.
4. A Lineholder who is serving on jury duty for a full month will be paid to their applicable monthly maximum. A Reserve serving on jury duty for a full month will be paid on the basis of sequences missed as described above. In no case would such Reserve be paid and credited less than their applicable monthly guarantee, and in no case more than their applicable monthly maximum.
5. If, through any combination of a Flight Attendant's scheduled duty with the Company and jury duty, the Flight Attendant is not provided with at least one (1) calendar day off in seven (7), such Flight Attendant shall have the right to move their scheduled day(s) off as necessary to provide the required minimum one (1) day off.

I. DRUG TESTING

A Flight Attendant will be paid fifteen dollars (\$15.00) for each random drug or alcohol test they are required to undergo after their release from duty. There will be no credit associated with the test or the payment.

J. FOREIGN LANGUAGE SPEAKER PREMIUM PAY

1. A Speaker will be paid at two dollars (\$2.00 per hour, prorated to the nearest minute, in addition to any other pay and applicable premiums, for all credit hours on any flight segment requiring the Flight Attendant's language skills. The Speaker premium will apply to all hours on deadhead flights.

2. International premium of three dollars (\$3.00) or three dollars and seventy-five cents (\$3.75) per hour, as applicable, in addition to the Speaker premium of two dollars (\$2.00) per hour, shall apply to International segments for which the Flight Attendant's language skills are required.
3. A Speaker, qualified in the language specified for the required Speaker positions on a flight segment, who is on the flight but not filling a required Speaker position, will be paid two dollars (\$2.00) per hour, prorated to the nearest minute, in addition to any other pay and applicable premiums, for all credit hours on any segment matching the Flight Attendant's language skills.

K. HOLIDAY / INCENTIVE DAY PAY

In addition to all other compensation, a Flight Attendant working on a sequence or serving Reserve Standby duty, which touches a Holiday Day(s) or Incentive Day shall be paid as follows:

1. **Holiday Day(s):** The days below shall be designated as Holiday Day(s). Any flying performed on a designated Holiday Day(s) including a Reschedule (Rescheduled flying performed on a Holiday Day(s) for a sequence which did not originally touch the Holiday Day(s)), shall pay a premium of one hundred percent (100%) over the Flight Attendant's base hourly rate (Holiday Day(s) premium is paid above guarantee for Reserves) for hours flown (based on the greater of scheduled or actual hours flown). If either the departure time of the flight (based on local station time) or the arrival time of the flight (based on local station time) touches or was scheduled to touch the actual holiday, Holiday Day pay would apply for the entire flight segment flown.
 - a. Wednesday before Thanksgiving Day
 - b. Thanksgiving Day
 - c. Sunday following Thanksgiving Day
 - d. Monday following Thanksgiving Day
 - e. December 24/Christmas Eve
 - f. December 25/Christmas Day
 - g. December 26/the day following Christmas Day
 - h. December 31/New Year's Eve
 - i. January 1/New Year's Day
2. **Incentive Day(s):** The Company may designate a day(s) as an "Incentive Day". Any flying performed on an Incentive Day(s), including Reschedule(s) (Rescheduled flying performed on the Incentive Day for a sequence which did not originally touch the Incentive Day) shall pay a premium of either fifty percent (50%) or one hundred percent (100%), as determined by the Company, over the Flight Attendant's base hourly rate for hours flown (based on the greater of scheduled or actual hours flown) on the Incentive Day (Incentive premium is paid above guarantee for reserves). If either the departure time of the flight (based on local station time) or the arrival time of the flight (based on local station time) touches or was scheduled to touch the actual holiday, Incentive Day pay would apply for the entire flight segment flown.
3. For any Holiday Day(s) or Incentive Day(s) flight(s) that overlap a Red Flag sequence, the Holiday Day Pay or Incentive Day pay for the flight(s) will be added to the Red Flag pay (e.g., Red Flag is designated as fifty percent (50%) premium for the sequence, and the Holiday Day pay or Incentive Day pay, as applicable, will pay in addition to the Red Flag pay for hours flown on the Incentive Day or Holiday Day.
4. Holiday Day(s) and Incentive Day percentage increases shall not apply to JCBA Premiums, e.g., Lead, Galley, International, Speaker, etc.
5. Airport Standby:

- a. A Reserve who serves Airport Standby on a Holiday or Incentive Day and is assigned flying that departs on a non-Holiday or non-Incentive Day will be eligible for Holiday or Incentive Day premium on the standby shift only.
 - b. A Reserve who serves Airport Standby on a Holiday or Incentive Day and is assigned flying that departs on the holiday will be eligible for the Holiday or Incentive Day premium on the flight time only.
 - c. A Reserve who serves Airport Standby on a Holiday or Incentive Day and does not fly will be eligible for the Holiday or Incentive Day premium for the standby shift.
- 6. A Flight Attendant who has a report, no fly event will be eligible for the premium pay associated with Incentive Day(s) or Holiday Day(s).
 - 7. All segments flown as part of a scheduled ODAN that is completed in a single duty period and touches a designated Holiday or Incentive Day will be eligible for the additional pay in Paragraph 1 or 2 above.

L. PREMIUMS FOR PAID TIME OFF

Flight Attendants who are on sick leave, bereavement leave, settling days or jury duty are not entitled to Purser, Lead, Aft, Galley, Speaker, CRAF or International premiums. Flight Attendants will receive each applicable Purser, Lead, Aft, Galley, Speaker, CRAF and International pay premium for vacation hours only if the credit hours in the Flight Attendant's primary line or PBS award, as applicable, are inclusive of one hundred percent (100%) of any single premium(s), e.g., 100% Speaker, 100% Lead, 100% Aft, etc.

M. ATC HOLD/ACTUAL "OUT" TIME (CODE 59)

1. Pay and Credit for Delayed Engine Start

When the captain elects to delay starting engines due to quoted takeoff delays, flight time, at the option of the captain, will be considered to begin at the time the aircraft would normally have departed. Such delay time is not included in block hour limitations as defined in Hours of Service, Section 11; however, it shall apply for pay and credit purposes and monthly credited time. Pay and credit under this provision shall not run concurrently with the holding time compensation as provided in Paragraph E.

2. Actual "Out" Time (Code 59)

In the following delay situations, flight time pay and credit for affected Flight Attendants will begin prior to the actual out time based on the time established by the Captain as provided herein, and the affected Flight Attendants will receive the greater of the scheduled block-to-block time or the delay time plus actual block time. In addition, such delay time will not be included in the block hour calculations as provided in Hours of Service, Section 11, nor will flight time pay and credit as defined below, run concurrently with any holding time or ground time compensations as provided in Paragraph E.

- a. In the event of a delay at the gate awaiting pushback, powerback or taxi out due to airport congestion caused by other aircraft or vehicular traffic, flight time pay and credit will begin at the time the aircraft was ready for immediate departure in all respects except for clearance from ramp or ground control, as determined by the Captain.

- b. In the event of a delay at the gate caused by the de-icing of the aircraft performed at the gate, flight time pay and credit will begin at the time the aircraft was ready for immediate departure in all respects except for clearance from ramp or ground control, as determined by the Captain.
- c. In the event maintenance is performed on the aircraft after departure from the gate but prior to take-off, and thereafter take-off is performed without returning to the gate, flight time pay and credit will begin from the original time of departure from the gate, including the time spent while having maintenance performed. In addition, in the event the aircraft taxis or is towed from the gate to have maintenance performed and thereafter performs a take-off without returning to a gate, flight time pay and credit will begin from the original time of taxi or tow from the gate, including the time spent while having maintenance performed.
- d. In the event of a delay at the gate awaiting pushback, powerback or taxi out due to congestion with deicing operations off the gate, flight time pay and credit will begin at the time the aircraft was ready for immediate departure in all respects except for clearance from ramp or ground control, as determined by the Captain.

N. DIVERSION PAY

When a flight is diverted and the aircraft is not blocked in at a gate, and/or passenger egress is prohibited, each Flight Attendant shall receive full flight time pay and credit for all such time on board. Such flight time will not be included in the block hour calculation as provided in Hours of Service, Section 11, nor will flight time pay and credit run concurrently with any holding time or ground time compensation as provided in Paragraph E.

O. MONTHLY METHOD OF PAY

1. Flight Attendants shall be paid semimonthly (twenty-four (24) pay checks per year) on the fifteenth (15th) and thirtieth (30th) of each month except as specified in Paragraph O.3.
2. A Flight Attendants' pay on the thirtieth (30th) of the month shall be equal to thirty-seven and one-half (37.5) hours (one-half of Reserve Guarantee). The balance of pay due will be paid on the fifteenth (15th) of the following month.
3. If the thirtieth (30th) pay date falls on a weekend or a banking holiday, the pay date will become the preceding business day. If the fifteenth (15th) falls on a weekend or banking holiday, the pay date will become the following business day.
4. Provided the Company continues to distribute Flight Attendant paychecks, pay advices and payroll summaries via the U.S. Mail, a reasonable effort will be made to place such documents into the mail system within three (3) days prior to the applicable pay date. Upon an employee's request, a stop payment will be placed for any check not received by the third business day following the pay date. A replacement check or pay card will be issued within forty-eight (48) hours of a stop payment request.
5. A Flight Attendant may, upon completion of the proper forms provided by the Company, elect to receive their pay through pay card or direct deposit to the financial institution of the Flight Attendant's choice (subject to such financial institution being capable of receiving direct deposit).
6. The Company reserves the right to mandate electronic pay stubs, pay summaries, direct deposit, pay cards and W-2s in those states which allow any or all options. Should pay stubs and summaries be issued electronically, the Company will provide twelve (12) months of history

provided the system allows for the retention of data for twelve (12) months.

7. The Company shall make payroll deductions consistent with the applicable law and the provisions of Paragraph Q.

P. PAY DISCREPANCIES

1. When there is a shortage equivalent to two (2) hours of pay or less in a Flight Attendant's paycheck, such amount shall be added to their next check once the matter is resolved.
2. When there is a shortage equivalent to more than two (2) hours of pay but not exceeding five (5) hours of pay, such amount shall be deposited to the Flight Attendant's payroll payment method on file with the Company within five (5) days following resolution of the matter.
3. When there is a shortage exceeding five (5) hours of pay in a Flight Attendant's paycheck, and once such matter has been resolved, such amount shall be deposited to the Flight Attendant's payroll payment method on file with the Company within one (1) day following resolution of the matter, except where the shortage is due to the Flight Attendant's negligence or mistake.
4. Paragraph P.3 shall not apply to payroll irregularities of a system or crew base nature involving multiple employees; however, in such circumstances, the Company will make every reasonable effort to expedite the necessary corrective action.

Q. OVERPAYMENTS

1. If a Flight Attendant is overpaid, their options shall be one of the following:
 - a. A new check shall be written immediately, or as soon as practicable, unless the Flight Attendant already cashed the paycheck.
 - b. Reimburse the Company the total amount that the Flight Attendant was overpaid.
 - c. Reimburse the Company through payroll deductions equally over two (2) months for overpayments less than or equal to two hundred and fifty dollars (\$250.00) and over four (4) months for overpayments greater than two hundred and fifty dollars (\$250.00).
2. Upon request of the Flight Attendant, the Company shall meet with them and review the payroll records substantiating the overpayment.

R. PROFIT SHARING

1. The terms of profit sharing benefits for APFA represented employees (which replace and supersede any previous profit sharing provisions) shall be as set forth in this Section R.
2. APFA-represented employees will be eligible for annual profit sharing award payments if, for the year that the profit sharing award payment is attributable, (i) the employee received eligible earnings (under the meaning used by the current AAG profit sharing plan) from the Company for that profit sharing year and (ii) remained employed on the last day of that profit sharing year, or whose employment terminated during the profit sharing year by reason of the employee's retirement, involuntary furlough, disability, or death.
3. For each profit sharing year, the Company will calculate profit sharing award payments as follows:
 - a. An amount equal to 10 percent (10%) of the dollar amount of American Airlines Group Inc.'s ("AAG") Pre-Tax Earnings up to \$2.5B for that year, and, an amount equal to 20

percent (20%) of the dollar amount of AAG's Pre-Tax Earnings above \$2.5B for that year will be attributed to a profit sharing pool ("Total Profit Sharing Pool").

- b. A percentage of the Total Profit Sharing Pool will be allocated to the eligible APFA-represented employees by dividing the total eligible earnings of the APFA-represented employees by the total eligible earnings of all participants in AAG's profit sharing program(s) ("APFA Profit Sharing Pool").
 - c. The APFA Profit Sharing Pool will be divided by the amount of all the APFA-represented employees' eligible earnings, and the resulting quotient shall be the "payout percentage."
 - d. The amount of the profit sharing award payment for each APFA-represented employee who is eligible for a profit sharing award for a profit sharing year shall be the product of the payout percentage multiplied by such eligible employee's eligible earnings from the Company for the applicable profit sharing year.
4. "AAG's Pre-Tax Earnings" means the earnings of AAG provided that such "earnings" are determined (i) before any applicable income tax expense, and (ii) by excluding all accruals under profit sharing plans and any other incentive compensation plan or agreement, and all extraordinary, unusual, one-time, restructuring, reorganization, integration, reduction in force, or other similar accounting adjustments as may be determined by the compensation committee of the Board of Directors in its discretion, after consultation with AAG's independent auditors; and provided, further, that AAG's Pre-Tax Earnings remain positive after accruals under profit sharing plans and all other incentive compensation plans or agreements are taken into account.
5. Profit sharing award payments shall be considered eligible compensation under the American Airlines, Inc. 401(K) plan and shall generally be made by March 15 of the subsequent calendar year or other such date as required by applicable law.
6. The Company retains discretion over all profit sharing related matters not specifically addressed in this Section.

S. RED FLAG OPEN TIME

Crew Scheduling may Red Flag a sequence/position in open time in accordance with Section 10.H. Red Flag sequences shall be paid at a premium rate of one hundred and fifty percent (150%) but credited at one hundred percent (100%).