

Dear Sisters and Brothers,

Last night, our Bargaining Committee for the Association of Passenger Service Agents at American Airlines-CWA/IBT reached a tentative agreement with American Airlines. This is an industry-leading agreement that makes major improvements in the wages and benefits of thousands of passenger service agents at the new American Airlines.

We could not have reached this agreement without the support of our local union leaders, mobilization team members, and every member who supported the organizing and mobilization efforts over the past several months and even years. In particular, the mobilization activity in the last few days made a huge difference at the table and demonstrated the power of our unity.

In the coming weeks, we will schedule contract explanation meetings at some locations, where our bargaining team members will present the tentative agreement and answer your questions. We will also distribute a video of the contract explanation to all members. In the meantime, the following is a summary of the agreement and the ratification process.

### **Wages**

Passenger Service Agents will see an immediate wage increase to equal **New Delta plus 3%** and an additional **9% wage increase** over the life of the 5-year agreement. There will be a 2% increase on the first and second anniversaries and 2.5% on the third and fourth anniversaries.

Shift premiums will be increased to industry-leading rates.

Profit sharing will remain in place for LUS agents in 2015. It will no longer be in place from 2016 on, but will be reflected in higher base wages, which provide security and predictability for employees.

### **Job Security**

There will be NO FURLOUGH during the life of the agreement.

The company will eliminate ALL of the RED-COAT CONTRACTORS at the ticket counters throughout the current American Airlines system.

The company was determined to outsource stations with five or fewer mainline flights per week. We were able to save all of those stations thanks in large part to member mobilization. Under the tentative agreement, all employees on payroll on the date of signing will not have their jobs outsourced.

The company currently outsources work of UMs, Wheelchairs, AA.com, and non-represented employees do the work at AA Adv, CBRO, DC Desk, Social Media. In order to save the cities and protect as much of our scope as possible, we agreed the company would be allowed to contract if desired, transporting bags/articles to fleet service, and all curbside check-in work.

Additionally, the company also has the option to outsource BSO; however, there will be no station reduction as a direct result of the outsourcing and all members' jobs are protected.

The company will insource the work associated with booking and selling vacations until either twelve months from ratification of the contract or March 1, 2017, whichever is later.

The company will insource jobs at stations with more than 5 daily mainline departures.

### **Other**

All Passenger Service Employees will have twelve sick days per year.

The grievance procedure is an improvement from the US Airways contract. There will be a quarterly meeting to resolve grievances with the ability to escalate cases to arbitration for quarterly hearings with resolution that day, which in essence creates an expedited process.

Home-Based Representatives will receive the same benefits as other Passenger Service Employees, including vacations, sick time, and holidays. And their pay will be increased dramatically.

The company will match dollar for dollar employees' first 5.5% contribution to the 401K plan.

### **Health Insurance**

Because it is too late to participate in open enrollment for a new health insurance plan, we agreed to leave all plans as is for now. We will present a health care proposal to the company by June 2016 and attempt to negotiate a new plan, which would take effect no sooner than January 2017. For now, all agents' health insurance will remain status quo.

### **Ratification**

All LUS members in good standing and LAA Passenger Service Employees who have completed a membership form by October 1, 2015, will be eligible to vote on the tentative agreement. After we have completed the agreement explanation process described above, we will mail a summary of the agreement and voting instructions to all eligible voters, who will then use a PIN code to vote online.

Thanks to all the members who stood together throughout this fight for an industry-leading contract for every agent at the new American Airlines. Your solidarity kept the bargaining team going through nine long months negotiations. We are extremely grateful for your support and inspired by your commitment to each other and to the fight for a voice on the job.

Solidarity,

Ron