

Exhibit C

SENIORITY INTEGRATION PROTOCOL AGREEMENT

This Agreement is made and entered into by and between the Allied Pilots Association (APA), US Airline Pilots Association (USAPA), American Airlines, Inc. (“American”), and US Airways, Inc. (“US Airways”) (American and US Airways collectively, “American”), pursuant to the direction and provisions of paragraph 10.f. of the Memorandum of Understanding Regarding Contingent Collective Bargaining Agreement by and between US Airways, American Airlines, APA and USAPA (the “MOU”).

WHEREAS the MOU was entered into on or about January 15th, 2013, among APA, USAPA, American, and US Airways, and

WHEREAS, in Section 10.a. of the MOU, APA, USAPA, American and US Airways agreed that “[a] seniority integration process consistent with McCaskill-Bond shall begin as soon as possible after the Effective Date,”

WHEREAS, consistent with Section 13(b) of the Allegheny/Mohawk LPPs, Section 10.f. of the MOU provides that “[a] Seniority Integration Protocol Agreement consistent with McCaskill Bond and this Paragraph 10” would “set forth the process and protocol for conducting negotiations and arbitration” in the agreed seniority integration process, and

WHEREAS, the merger transaction contemplated by the AMR Plan of Reorganization closed on December 9, 2013, and

WHEREAS, it is desirable to maintain cooperative relationships throughout

the seniority integration process outlined in paragraph 10 of the MOU, and

WHEREAS, the APA has established a Merger Committee and USAPA has established a Merger Committee.

WHEREAS, it is desirable to set out with specificity the process for integrating the existing seniority lists and including the integrated seniority list and all appropriate ancillary provisions, including implementation procedures, into the Joint Collective Bargaining Agreement (JCBA) defined in the MOU, and

WHEREAS, in implementation of the agreements made in the MOU, the following protocols are established.

1. APA, USAPA, and American acknowledge that this Protocol Agreement constitutes the Protocol Agreement referred to in paragraph 10.f. of the MOU consistent with McCaskill Bond.

2. Within 10 days of either the execution of this Protocol Agreement or the receipt from American of the information described in a. below, whichever is later, the Merger Committees shall compile, verify, certify and exchange (in electronic Excel format whenever possible) employment data for each pilot on their respective pre-merger seniority lists, as follows, subject to modification for accuracy.

a. The information certified and exchanged will include the following information to the extent such information is

available and can be compiled/provided by American without undue burden or expense:

- (1) Each pilot's name; employee number; seniority number; date of hire; occupational seniority date, if any, and any other date relevant to the pilot's placement on the pre-merger seniority list; date of birth; seat, aircraft, domicile, and information reflecting each pilot's availability to engage in revenue flying (i.e., leave status, instructor status, management pilot status, medical/disability status);
- (2) For each pilot, the start and end date of any furlough, period of disability, or leave of absence, or any intervening period of service with the pre-merger carrier other than as a flight deck crew member; an explanation for the furlough, period of disability, leave of absence, or period of service other than as a flight deck crew member; and an explanation of the effect, if any, of the furlough, period of disability, leave of absence, or period of service other than as a flight deck crew member on the pilot's seniority, longevity, compensation and/or benefits;
- (3) The identification, with an appropriate designator on the seniority list, of any pilot whose placement on the pre-merger list was determined by a prior seniority

integration agreement or award.

- (4) Provide each pilot's dates of employment at predecessor airlines, subject to previous seniority integrations (e.g., TWA, Reno, Air Cal, TCA, America West, Piedmont, US Airways Shuttle, PSA, Empire).
 - (5) The identification, with an appropriate designator on the seniority list, of any pilots with grandfather, preferential hiring or similar special rights by agreement or prior seniority integration award that are limited as to category, domicile or status within the flight deck crew, and an explanation for each such special rights.
 - (6) The identification, with an appropriate designator on the seniority list, of any pilots who appear on multiple pre-merger seniority lists (American, US Airways (East), US Airways (West)).
 - (7) Similar information for any pilot who has been terminated or otherwise removed from the pre-merger seniority list, whose status is the subject of any pending litigation or dispute.
- b. The certified seniority lists will reflect the status quo of the three seniority lists in effect at the carriers on December 9, 2013

(i.e., American, US Airways (East), US Airways (West)); provided, that this will be without prejudice to any Merger Committee's position on the appropriate "snapshot" or "constructive notice" date.

3. The Merger Committees will exchange additional relevant data (in electronic Excel format whenever possible) upon written request in the course of the seniority integration process.

4. American will provide information relevant to the seniority integration (in electronic Excel format whenever possible) on the written request of any Merger Committee, provided that the information is relevant to the issues, and the requests are reasonable and do not impose undue burden or expense, and so long as the Merger Committees agree to appropriate confidentiality terms. Such information shall be provided by American to the Merger Committees on an equal basis.

5. a. Subject to paragraph 8.c below, within 14 days of the execution of this Protocol Agreement, the Merger Committees (and American, to the extent consistent with paragraph 10.d of the MOU) may commence negotiations concerning the matters referenced in subparagraph b below. Such negotiations may occur for up to 45 days. Neither the MOU nor this Protocol Agreement shall prohibit such negotiations beyond that date regarding the subjects listed in the following subparagraph by mutual agreement of the Merger Committees.

b. Any such negotiations shall be directed to the following

elements relevant to the establishment of a fair and equitable integrated seniority list within the meaning of the McCaskill Bond Act and Section 3 of the Allegheny/Mohawk Labor Protective Provisions; provided, that any such integrated seniority list shall comply with the conditions set forth in paragraph 10.b. of the MOU. The subjects of the negotiations will include:

- (1) to attempt to resolve any and all disputes and inconsistencies with regard to the employment data exchanged pursuant to paragraph 3 above, and to reduce to writing any remaining areas of disagreement, with a statement of each negotiating party's position;
- (2) to determine the "snapshot date" as of which the pre-merger seniority lists will be integrated, and the "constructive notice" date after which pilots hired shall be deemed to have been on constructive notice of the merger;
- (3) the pre-merger fleets for which each pre-merger group will be entitled to credit and the projected future combined fleet including, without limitation, aircraft on hand, on order, and/or on option as agreed by the negotiators;
- (4) the staffing assumptions to be applied to the fleets established pursuant to subparagraph b.(3) above; and

- (5) the pilot bidding patterns (“stovepipe” or otherwise) to be assumed in applying the fleet and staffing assumptions established pursuant to subparagraphs b.(3) and (4) above.

- c. The Merger Committees (and American, as applicable) may jointly agree to the assistance of a neutral mediator at any point during the negotiations.

- d. Subject to paragraph 8.c below, the Merger Committees (and American, as applicable) may enter into written agreements and/or stipulations to resolve and/or limit the issues to be submitted to the Arbitration Board for resolution.

- e. No position nor anything said by any participant during negotiations shall be admissible in the seniority integration arbitration.

6. Within 14 days following the effective date of this Seniority Integration Protocol Agreement, the Merger Committees shall complete the selection of three neutral arbitrators to serve as an Arbitration Board in accordance with the MOU and this Protocol Agreement. The Arbitration Board shall be selected by the Merger Committees exchanging lists of five arbitrators. Any names common to the Merger Committees’ lists will be appointed to the Arbitration Board; if there are more than three common names, the Merger

Committees shall rank order the common names and the arbitrators shall be designated based on the Committees' relative combined ranking. To the extent that positions on the Arbitration Board remain unfilled and the Merger Committees are unable to agree on the remaining arbitrators, the remaining arbitrators shall be selected by alternate strike from the arbitrators proposed by the Merger Committees. The Merger Committees shall determine by agreement or by lot the order of striking.

7. The Arbitration Board shall have the authority to establish a fair and equitable integrated seniority list as required by the McCaskill Bond Act; provided, that any such integrated seniority list shall comply with the conditions set forth in paragraph 10.b. of the MOU. The Arbitration Board shall also have authority to resolve any dispute regarding the employment data exchanged pursuant to paragraphs 3 and 4 above; to resolve all procedural matters regarding the arbitration; and, subject to paragraph 8.b. below, to resolve any dispute regarding the interpretation and application of this Protocol Agreement arising prior to issuance of the final award under paragraph 13 below.

7a. Any dispute regarding the production of information under this Protocol Agreement may be submitted by any Merger Committee to the procedure established in the Protocol for Resolution of Disputes Pertaining to Seniority-Integration Information Production dated June 24, 2014.

8. a. Effective if and when the NMB certifies APA as the representative of the combined craft and class, the Merger Committees established by APA and USAPA shall continue in existence, solely for the purpose of

concluding an integrated pilot seniority list pursuant to the MOU; provided, that all parties reserve their rights and/or positions with respect to the establishment of a separate Merger Committee to represent the interests of the pilots on the US Airways (West) seniority list referenced in paragraph 2(b) including, without limitation, APA's position that, following certification by the NMB as the single bargaining representative, it will have the discretion to designate such a committee, and USAPA's position that APA will have no such legal authority. APA shall not interfere in the deliberations and decision making of the Merger Committees. APA shall not interfere with any Merger Committee with respect to filling any vacancy, choosing legal counsel or other advisors and experts, or the manner in which legal and other expenses are financed. Nothing in this Protocol Agreement shall be deemed to modify or supersede any provision of the governing documents of any party existing as of the effective date of this Seniority Integration Protocol Agreement that governs the relationship between the party and a Merger Committee which it has established.

b. APA has received requests from pilots on the US Airways (West) seniority list referred to in paragraph 2(b) and/or their representatives that, following certification of APA by the NMB, a Merger Committee be designated to represent the interests of such pilots for purposes of this Seniority Integration Protocol. Upon such certification by the NMB, those requests will be referred to a "Preliminary Arbitration Board." The parties to such Preliminary Arbitration will be American, APA, USAPA, the existing Merger Committees, and any committee of pilots on the US Airways (West) seniority list making such requests to APA or the Preliminary Arbitration Board not later than 14 days after certification of APA by the NMB. . Within five business days following the selection of the Arbitration

Board under paragraph 6 above, the selection of the Preliminary Arbitration Board shall be completed by American, APA and USAPA exchanging lists of five arbitrators, none of whom shall be a member of the Arbitration Board. Any names common to the lists will be appointed to the Preliminary Arbitration Board; if there are more than three common names, American, APA and USAPA shall rank order the common names, and the three arbitrators shall be designated based on the relative combined ranking. To the extent that positions on the Preliminary Arbitration Board remain unfilled and American, APA and USAPA are unable to agree on the remaining arbitrators, the remaining arbitrators shall be selected by alternate strike from the arbitrators proposed by American, APA and USAPA. American, APA and USAPA shall determine by agreement or by lot the order of striking. The Preliminary Arbitration Board shall establish an expedited schedule for a hearing on such requests at which the parties may present argument and/or evidence concerning the requests. The hearing shall consist of no more than five hearing days, and shall be concluded within 30 days of the Preliminary Arbitration Board's receipt of the requests, subject to the arbitrators' schedules. The Preliminary Arbitration Board shall issue an order granting or denying any such requests that APA designate the requested Committee. The order shall be issued within 30 days following the first day of the hearing, subject to the arbitrators' schedules. The order shall be final and binding on APA and USAPA, American and US Airways or their successors, and all of the pilots of American and US Airways. The record of the proceeding before the Preliminary Arbitration Board, and any supporting Opinion of the Preliminary Arbitration Board, shall not be presented to the Arbitration Board. The Preliminary Arbitration Board will have the authority to resolve any dispute regarding the interpretation or application of this Protocol Agreement arising in connection with the proceeding under this

paragraph 8.b.

c. Any Merger Committee authorized by the Preliminary Arbitration Board pursuant to subparagraph b above shall thereafter be treated as a Merger Committee under this Seniority Integration Protocol Agreement for all purposes including, without limitation, the following:

(1) Within 14 days following the Preliminary Arbitration Board's order, American will provide to such Merger Committee all information theretofore provided to the existing Merger Committees established by APA and USAPA.

(2) Within 14 days following the Preliminary Arbitration Board's order, the existing Merger Committees established by APA and USAPA will provide to such Merger Committee all information theretofore exchanged by the Existing Merger Committees.

(3) At such Merger Committee's request, the Merger Committees will together reconsider any issues resolved pursuant to paragraphs 2 and 5 above.

9. The parties to the seniority integration arbitration before the Arbitration Board will be the Merger Committees and American; provided, that the participation of American shall conform to Paragraph 10.d of the MOU.

Representatives of APA and USAPA may attend the arbitration hearing as observers.

10. In accordance with paragraph 10.a. of the MOU, the arbitration proceeding before the Board of Arbitration shall commence as soon as practicable after final approval of the Joint Collective Bargaining Agreement pursuant to the deadlines and procedures in paragraph 27 of the MOU and after any proceeding concerning any requests referred to in paragraph 8.b. above.

11. The arbitration hearing will be limited to 12 hearing days; provided, that with the concurrence of the Merger Committees and American, or at the request of the Arbitration Board, the hearing may be extended up to an additional four days. In advance of the hearing, the Arbitration Board shall convene an in-person or telephonic pre-hearing conference or conferences with the parties, to establish rules of procedure, receive stipulations, establish the location(s) of the hearing, set time limits, define issues, establish a schedule for the submission of pre-hearing statements of position, set the order of proof on issues, and deal with other pre-hearing and procedural matters.

12. At the conclusion of the arbitration hearing, the Arbitration Board will establish a schedule for the submission of post-hearing briefs, and/or oral argument before the Arbitration Board.

13. The Arbitration Board shall issue its final Award within six months of the commencement of the arbitration hearing, and in any event not later than December 9, 2015. Prior to issuance of the final award, the Arbitration Board shall

issue a draft award to the parties for their comment concerning issues they identify in the award. The parties shall submit any comments within 10 days of receiving the draft award. The parties may submit any response to the comments of the other parties within five days of submission of those comments. No new evidence may be presented in either submission.

14. The Arbitration Board will include in its Award a provision retaining jurisdiction until all of the provisions of the Award have been satisfied for the limited purpose of resolving disputes which may arise regarding the interpretation, application or implementation of the Award; and shall establish, as part of the Award, a process for resolution of such disputes as adopted by the parties or, in the absence of agreement, as established by the Arbitration Board.

15. In accordance with paragraph 10.c. of the MOU, the integrated seniority list resulting from the process established by the MOU and this Protocol Agreement, whether arrived at through agreement or arbitration, shall be final and binding on APA and USAPA, American and US Airways or their successors, and all of the pilots of American and US Airways.

16. In accordance with paragraph 7 of the MOU, American will make positive space transportation available to members of the Merger Committees when engaged in activities related to seniority list integration.

17. Pursuant to Paragraph 7 of the MOU, American shall reimburse the Merger Committees for expenses in an aggregate not less than \$4 million to be shared equally by the Merger Committees.

18. This Protocol Agreement may be amended, supplemented or modified, either directly or indirectly, only by written agreement of the parties (American, USAPA and APA until NMB certification of APA; American, APA and the Merger Committees following NMB certification of a single bargaining representative).

19. No position taken by the parties in the Seniority Integration Process may be submitted to the National Mediation Board in the proceeding ongoing in NMB File No. CR-7110.

20. APA may present this Seniority Integration Protocol to the NMB in support of its application in NMB File No. CR-7110.

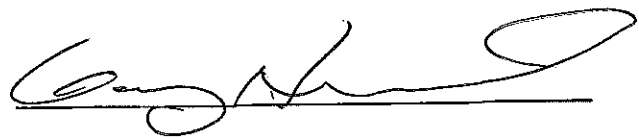
21. The parties to the action captioned *USAPA v. US Airways, Inc.*, 14 Civ. 00328 (DAH) (D.D.C.), agree to dismiss that action and all claims and counterclaims, with prejudice, with each party to bear its own costs, and shall take the necessary steps to effect such dismissal with prejudice within seven calendar days of the execution of this Agreement.

ALLIED PILOTS ASSOCIATION

By: 

Date: 4 SEP 14

US AIRLINE PILOTS ASSOCIATION

By:  _____

Date: 4 SEP 14

AMERICAN AIRLINES, INC.

By: _____

Date: _____

US AIRWAYS, INC.

By: _____

Date: _____

US AIRLINE PILOTS ASSOCIATION

By: _____

Date: _____

AMERICAN AIRLINES, INC.

By: Paul D. Jones

Date: Sept. 4, 2014

US AIRWAYS, INC.

By: Paul D. Jones

Date: Sept. 4, 2014