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March 20, 2018

The Honorable Sean H. Lane

Re: Joint Proposed Order to Motion of Debtors for Entry of Order Pursuant to Fed. R. Bankr. P. 9019(a)
Approving Settlement Agreement Resolving Certain Pending EEOC Litigation (Docket No. 12861)

Dear Judge Lane:

We write to enclose a proposed order following the February 1, 2018 hearing on AMR Corporation and its related debtors' Motion to Approve the Settlement Agreement between American Airlines, Inc. ("American"), Envoy Air Inc. ("Envoy"), and the Equal Employment Opportunity Commission ("EEOC").

We are enclosing a redline showing certain changes to the Consent Decree that the parties believe are appropriate, and ask Your Honor to approve the amended version of the Consent Decree. The parties have also submitted the amended version to the District of Arizona requesting its approval of these changes.

The parties propose a change to address the inclusion of pilots, which was the issue raised at the February 1 hearing. After further discussions, the parties to the Consent Decree have agreed to revise the Consent Decree to include pilots on the lists of employees who will receive notice if they satisfy the criteria in Paragraph 22(b) of the Consent Decree (as opposed to simply amending the FAQs to make clear that pilots could submit a claim form even if they did not receive a notice). The only exception is in Paragraph 22(b)(ii), for those pilots who the Medical Review Board reviewed solely because the pilot was seeking disability benefits pursuant to a disability plan—a process that was not at issue in the claims asserted by the EEOC. The parties have also agreed that Mr. Meadows and Ms. Emery should be included on the employee lists to ensure that they receive a formal notice given the objections that they raised.

At the February 1 hearing, Mr. Lawrence Meadows expressed an intent to appeal any order by this Court approving the Consent Decree. Paragraph 8 of the Consent Decree, as originally agreed to, states that it will not become effective until the order of the Bankruptcy Court becomes "final and non-appealable." As a result, if Mr. Meadows pursues an appeal (as he has stated he intends to do), it could be years before the Consent Decree becomes effective. To avoid a potential multi-year delay, American, Envoy and the EEOC request that you approve an amended version of the Consent Decree that does not require the parties to wait until any appeals are completed. As reflected in the enclosed redline, Paragraph 8 of the Amended Consent Decree now states that it will become effective once approved by this Court and the District of Arizona, as opposed to when an order of this Court becomes "final and non-appealable."

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The parties have attached a redline showing the proposed changes, which are limited to Paragraph 8, Paragraph 22(b)(ii), and Paragraph 22(c). The parties have also attached a clean copy of the Amended Consent Decree executed by the parties, as well as a proposed order.

Sincerely,



Stephen A. Youngman, Esq.

cc: Mary O'Neill
Mark Robertson
Kathy Emery
Lawrence Meadows

Encl.

Exhibit 1

Redline of Amended Consent Decree

EXHIBIT 1

EXHIBIT 1

1 Mary Jo O'Neill, AZ Bar #005924
Michael Baskind, AZ Bar #030810
2 Rita Byrnes Kittle, CO Bar #17871
3 **Equal Employment Opportunity**
Commission, Phoenix District Office
3300 N. Central Ave., Suite 690
4 Telephone: (602) 640-5003
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5 Email: mary.oneill@eeoc.gov
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7 Attorneys for Plaintiff

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13 Attorneys for Defendants

14 IN THE UNITED STATES DISTRICT COURT
15 FOR THE DISTRICT OF ARIZONA

16 Equal Employment Opportunity
17 Commission,

18 Plaintiff,

19 v.

20 American Airlines, Inc. and Envoy Air
Inc.,

21 Defendants.

Civil Action No.: CV-17-04059-PHX-
SPL

AMENDED CONSENT DECREE

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I. RECITALS

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2 1. In this matter, Plaintiff Equal Employment Opportunity Commission
3 (“Plaintiff” or “EEOC”), an agency of the United States government, alleges that
4 Defendants American Airlines, Inc. (“American”) and Envoy Air Inc. (“Envoy”)
5 (collectively, “Defendants”) violated the Americans with Disabilities Act (“ADA”). The
6 EEOC and Defendants are collectively referred to as the “Parties.” Provisions of this
7 Consent Decree (“Decree”) applicable to “Defendants” shall apply separately to
8 American and Envoy as individual and separate carriers. Accordingly, American is
9 responsible only for fulfilling obligations involving American employees, and likewise,
10 Envoy is responsible only for obligations involving Envoy employees.

11 2. The Parties desire to settle this matter (the “Lawsuit”) by an appropriate
12 Decree, and agree to the jurisdiction of this Court over the Parties and the subject matter
13 of this Lawsuit and to the power of this Court to enter a Decree enforceable against the
14 Parties.

15 3. Defendants deny all allegations set forth in this Lawsuit, as well as those
16 set forth in the Charges and the Determination Letters (as defined below). By entering
17 into this Decree, Defendants deny and do not admit, either expressly or implicitly, that
18 they violated any federal, state, or local law, or that they have any liability related to this
19 Lawsuit or the Charges or Determination Letters. Defendants maintain that they provide
20 equal employment opportunities for all employees and have entered into this Decree to
21 avoid the disruption, costs, delay, and expense of continued litigation. This Decree shall
22 not be construed as an admission by Defendants of any discriminatory or unlawful
23 conduct.

24 4. As to the issues resolved, this Decree is final and binding upon the Parties
25 and their successors and assigns.

26 5. For the purpose of amicably resolving this Lawsuit, the Parties jointly
27 request this Court to adjudge as follows:

28 **IT IS ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:**

1 **II. JURISDICTION**

2 6. The Parties stipulate to the jurisdiction of the Court over the Parties and
3 subject matter of this Lawsuit and have waived the entry of findings of fact and
4 conclusions of law.

5 7. The Parties agree that this Decree is fair, reasonable, and equitable and
6 does not violate the law or public policy.

7 **III. TERM AND SCOPE**

8 8. This Decree shall be effective on the later of (i) the date it is signed by this
9 Court or (ii) the date on which an order from the United States Bankruptcy Court for the
10 Southern District of New York (the “Bankruptcy Court”) approving the monetary relief
11 provided for in this Decree ~~becomes final and non-appealable~~ is issued (the “Effective
12 Date”).

13 9. The duration of the Decree shall be two (2) years from the Effective Date.

14 10. This Decree covers all of Defendants’ operations within the United States
15 and its territories.

16 **IV. GENERAL PROVISIONS**

17 11. In the event that the EEOC believes that American or Envoy did not
18 comply with any provision of the Decree, the EEOC may bring an action before this
19 Court to enforce the Decree. Prior to initiating such action, the EEOC shall notify
20 American and/or Envoy and their respective legal counsel of record, in writing, of the
21 nature of the dispute. The notice shall specify the particular provision(s) of the Decree
22 that the EEOC believes were breached. American and/or Envoy shall have sixty (60)
23 days from the date of receipt of the notice (the “Notice Period”) to attempt to resolve or
24 cure the breach; however, the Parties may agree to extend the Notice Period upon mutual
25 consent. After the Notice Period has passed without resolution or agreement to extend
26 the Notice Period further, the EEOC may petition this Court for resolution of the dispute.

27 12. This Decree may be executed in any number of counterparts, each of which
28 will be considered an original and all of which together will constitute the Decree.

1 13. This Decree constitutes a complete resolution of the claims in this Lawsuit,
2 and all issues of law and fact that were raised by the EEOC in this Lawsuit. This Decree
3 also constitutes a complete resolution of any and all claims that the EEOC could have
4 brought against Defendants, as well as Defendants' parent and subsidiary corporations,
5 past, present and future, and all of their directors, officers, and employees, seeking relief
6 for any current or former employee of Defendants with respect to: (a) the findings
7 contained in the Determination Letters; and (b) any act or omission of Defendants
8 occurring prior to the Effective Date arising from the alleged improper policies or
9 practices identified by the EEOC in the Determination Letters. The EEOC will not bring
10 or litigate the issues identified in the EEOC's Determination Letters nationwide, or on a
11 classwide or individual basis. Nothing in this paragraph affects the EEOC's ability,
12 responsibility and authority to receive and investigate any subsequently filed charges of
13 discrimination or to bring a subsequent lawsuit against Defendants regarding matters not
14 covered in this Lawsuit or the Letters of Determination giving rise to this Lawsuit.

15 14. It is also the intent of the Parties that American and Envoy's compliance
16 with this Decree will fully and completely resolve: (a) Darla Alvarado v. American
17 Airlines (540-2009-01250); Janet Reyes v. American Airlines (540-2013-02951); Sherrie
18 Edwards-Redd v. American Airlines (564-2013-01151); Vicki Groves v. American
19 Airlines (540-2013-03526); Wanda Villanueva v. American Airlines (524-2014-00072);
20 Chrissie L. Ball v. American Airlines (540-2015-02142); Jodi Isenberg v. American
21 Airlines (540-2015-01742); Lisa Walker v. American Airlines (511-2015-01560); Danny
22 Hill v. American Eagle Airlines (493-2014-01307); Brenda Gallardo v. American Eagle
23 Airlines (510-2013-02881) and (510-2013-05173); Tanya Howard v. American
24 Airlines (540-2015-02025); Tanya Merriweather v. American Airlines (846-2013-
25 51903); and Micah Peterson v. American Airlines (540-2011-0004) (collectively
26 "Charging Parties") charges of discrimination (collectively, the "Charges"); (b) all issues
27 of law and fact which were raised by the EEOC in this Lawsuit; and (c) the EEOC's
28 claims of disability discrimination, which the EEOC could have brought based on the

1 Determination Letters that were issued for the Charges. “Determination Letters” as used
2 in this Decree means the Determination Letters issued by the EEOC in response to the
3 Charges listed above on July 29, 2015, July 30, 2015, August 17, 2015, August 21, 2015,
4 and December 16, 2015.

5 15. Defendants and their respective officers will not interfere with the relief
6 ordered in this Decree and shall cooperate in the implementation of this Decree.

7 16. The Parties to this Decree shall bear their own expenses and costs,
8 including their own attorneys’ fees, associated with the Lawsuit and this Decree.

9 **V. MONETARY RELIEF**

10 17. Within ten (10) days after the Effective Date, the EEOC shall be deemed to
11 hold an Allowed American General Unsecured Claim (as defined in the Debtors’ Fourth
12 Amended Joint Chapter 11 Plan (the “Plan”)) in the amount of \$9,800,000.00 (the
13 “EEOC Allowed Claim”). The distribution mechanics shall be governed by the Plan.
14 Because distributions on an Allowed American General Unsecured Claim (as defined in
15 the Plan) are made in common stock of American Airlines Group Inc. (“AAL”), the
16 Parties acknowledge that the ultimate dollar value of the settlement will depend upon the
17 trading price of AAL, and that this Decree is fully enforceable no matter the trading price
18 of AAL. Within ten (10) days after the Effective Date, Defendants will cause the claims
19 agent to adjust the claims register in accordance with this Decree. Thereafter, in
20 accordance with the Plan and this Decree, the Disputed Claims Reserve (as defined in the
21 Plan) will make a distribution of AAL stock on the first Distribution Date (as defined in
22 the Plan) following the Effective Date to the Settlement Administrator. Defendants shall
23 notify the EEOC of the distribution within three (3) days of the distribution of AAL stock
24 to the Settlement Administrator. The Settlement Administrator will be responsible for
25 converting the stock into cash and depositing the cash in an interest bearing fund used
26 exclusively for the purposes of implementing this Decree.

27 18. The EEOC Allowed Claim constitutes all of the monetary relief to which
28 the EEOC is entitled under this Decree to distribute to Charging Parties and claimants

1 eligible to receive a settlement (“Eligible Claimants”), which includes all applicable
2 federal (including, but not limited to, Federal Insurance Contribution Act and Federal
3 Unemployment Tax Act taxes), state and local taxes typically paid by employers in
4 regards to employee compensation. The EEOC agrees that the EEOC Allowed Claim
5 will be used solely for the benefit of the Charging Parties and Eligible Claimants, except
6 to the extent it is distributed to a charity or non-profit pursuant to this Decree.

7 19. No distribution shall be made by the Settlement Administrator to any
8 Charging Party without the execution of the release agreement attached as Exhibit A, an
9 executed copy of which must be provided to the appropriate Defendant for each Charging
10 Party prior to any monetary distribution by the Settlement Administrator to such
11 individual.

12 20. No distribution shall be made by the Settlement Administrator to any
13 Eligible Claimant without the execution of the release agreement attached as Exhibit A,
14 an executed copy of which must be provided to the appropriate Defendant for each
15 Eligible Claimant prior to any monetary distribution by the EEOC or the Settlement
16 Administrator to such individual.

17 21. **Withdrawal of Proofs of Claim:** Upon the date that the Disputed Claims
18 Reserve distributes AAL stock consistent with the terms of this Decree to the Settlement
19 Fund created by the Settlement Administrator, the proofs of claim filed in Defendants’
20 chapter 11 bankruptcy cases listed on Exhibit B shall be deemed satisfied with prejudice
21 and the Defendants’ claims agent, GCG, Inc., shall be authorized to adjust the claims
22 register in accordance with the terms of this Decree. “Settlement Fund” means any and
23 all consideration distributed pursuant to this Decree to the Settlement Administrator,
24 including any proceeds realized from the disposition thereof and any earnings thereon
25 (inclusive of any reinvestment of proceeds and any interest that accrues in any account
26 created by the Settlement Administrator in furtherance of his duties hereunder), which
27 amounts shall be held in a separate account by the Settlement Administrator in
28 accordance with the terms of this Decree.

1 **22. Settlement Administrator:** Within ten (10) calendar days after the
2 Effective Date, Defendants and EEOC will appoint a Settlement Administrator mutually
3 acceptable to the Parties to handle the claim process for distribution of the Settlement
4 Fund. The Settlement Administrator shall be unrelated to, and independent of, the
5 Defendants within the meaning of Treasury Regulation §§ 1.468B-1(d) and 1.468B-
6 3(c)(2)(A). The Parties each agree that they will not have any financial interest in the
7 Settlement Administrator or otherwise have a relationship with the Settlement
8 Administrator that could create a conflict of interest. Disputes relating to the Settlement
9 Administrator’s performance of its duties may be referred to this Court, if necessary,
10 which will have continuing non-exclusive jurisdiction over the terms and conditions of
11 this Decree until all payments and obligations contemplated by this Decree have been
12 fully carried out. All administration costs, including fees paid to the Settlement
13 Administrator up to a maximum of \$150,000, shall be paid by Defendants. Any fees
14 exceeding \$150,000 to the Settlement Administrator shall be paid out of the Settlement
15 Fund. The Settlement Administrator will be responsible for (a) accepting the distribution
16 of AAL stock from the Disputed Claims Reserve pursuant to Paragraph 17 above and
17 converting that stock into cash at the earliest possible date, but no later than ten (10)
18 business days after receiving the distribution of stock from the Disputed Claims Reserve;
19 (b) opening, maintaining and securing an interest bearing fund for the sole purpose of
20 housing the cash resulting from the stock-to-cash conversion detailed in part (a) of this
21 Paragraph; (c) depositing the funds into the interest bearing account within two (2)
22 business days of the stock-to-cash conversion detailed in Paragraph 22(a) being
23 effectuated; (d) establishing an informational website accessible to EEOC, and
24 potentially aggrieved individuals (“PAIs”); (e) establishing a toll-free telephone number
25 accessible to PAIs; (f) responding to information requests from PAIs; (g) sending the
26 Notice (attached as Exhibit C) and Claim Form (which shall be mutually agreed to by
27 Defendants and EEOC), to PAIs; (h) obtaining updated addresses for PAIs and re-
28 mailing returned notices; (i) receiving and processing claims; (j) evaluating claims based

1 on criteria provided by EEOC; (k) communicating a recommended distribution list to the
2 EEOC; (l) sending notices of claim share, and notices of appeal rights to PAIs
3 determined by EEOC to be eligible; (m) sending notices of ineligibility and notices of
4 appeal rights to PAIs determined by EEOC to be ineligible; (n) processing appeals and
5 forwarding them to EEOC for determination, together with the Settlement
6 Administrator's recommendation; (o) issuing payments in accordance with a final
7 distribution list provided by EEOC; (p) issuing and filing tax reporting forms,
8 withholding applicable taxes and paying all taxes typically paid by employers (e.g.,
9 FICA) related to each Charging Party and Eligible Claimant who receives a distribution
10 from the EEOC Allowed Claim; (q) communicating as necessary with EEOC and
11 Defendants; (r) tracking all necessary data regarding contact with the Charging Parties
12 and PAIs; (s) confirming each Charging Party and Eligible Claimant has executed the
13 appropriate release agreement prior to issuing a payment; and (t) distribution of the
14 Settlement Fund.

15 a. **Website and Toll-Free Telephone Number.** Within twenty (20) calendar
16 days after being retained, the Settlement Administrator will establish a
17 website and toll-free telephone number that will be accessible to PAIs.
18 Information posted on the website and available on a recorded message on
19 the toll-free telephone number will be limited to the general information
20 included in notices sent to PAIs or update information as to status of the
21 claim process (*i.e.*, claim-filing deadline; appeal deadline; projected
22 distribution date when known).

23 b. **Employee List.** Within twenty (20) calendar days after the Effective Date,
24 and based on a reasonable and diligent search of their respective records,
25 American and Envoy will each provide the Settlement Administrator with a
26 list of individuals each carrier employed, respectively, anywhere in the
27 United States and its territories who, during the period from January 1,
28 2009 until August 3, 2015:

- 1 i. Submitted a completed Request for Accommodation form to
2 American or Envoy; or
3 ii. Were reviewed by the Medical Review Board, except for those
4 individuals reviewed exclusively for purposes of obtaining disability
5 benefits; or
6 iii. Were reviewed by the Accommodation Review Board.
7 c. The Employee Lists shall exclude ~~pilots of American and Envoy~~, corporate
8 officers of American and Envoy, as well as employees who were subject
9 exclusively to US Airways, Inc. ADA policies from January 1, 2009
10 through August 3, 2015 (i.e., legacy US Airways employees).
11 d. For each individual on the Employee Lists, and on the same day the
12 Employee Lists are provided to the Settlement Administrator pursuant to
13 Paragraph 22.b. of this Decree, Defendants will provide the following
14 information, if reasonably available to Defendants: (a) full name, including
15 all known prior names or aliases; (b) last known address; (c) last known
16 telephone number; (d) dates of birth; and (e) last known personal e-mail
17 address.
18 e. **Mailing Notice and Claim Form.** Upon receipt of the Employee Lists, the
19 Settlement Administrator will utilize available resources to update
20 addresses provided by Defendants, and will mail the Notice, Claim Form,
21 appropriate release agreement, and return envelope addressed to the
22 Settlement Administrator, to each individual on the Employee Lists at the
23 best address the Settlement Administrator has found. The Notice and
24 Claim Form will be mailed at the earliest possible date, but not later than
25 ninety (90) calendar days after the Effective Date.
26 f. **Return Mail Handling.** For each piece of mail returned as undeliverable,
27 the Settlement Administrator will make reasonable efforts, using services
28 such as Accurint and CLEAR, to obtain an updated address and will re-

- 1 mail based on the updated address.
- 2 g. **Claim-Filing Deadline.** The final claim-filing deadline will be sufficient to
3 allow at least thirty (30) calendar days for response to re-mailed Notices.
- 4 h. **Claim Evaluation.** The Settlement Administrator will evaluate claims of
5 the PAIs based on objective criteria provided by the EEOC, and will
6 provide its recommendations to the EEOC and Defendants within sixty (60)
7 calendar days after the final claim-filing deadline. Defendants may provide
8 in writing any input they have on the Settlement Administrator's
9 recommendations to the EEOC within thirty (30) calendar days of
10 Defendants' receipt of the recommendations. If Defendants challenge a
11 particular claim, they will provide the EEOC with an explanation of the
12 factual bases for any such challenge, together with any supporting
13 evidence. However, the EEOC reserves the right to reject the Settlement
14 Administrator's recommendations and/or Defendants' input.
- 15 i. **Notices to Claimants.** As soon as possible, and no later than one-hundred
16 and eighty(180) calendar days after receiving the Settlement
17 Administrator's recommendations, the EEOC will provide the Settlement
18 Administrator with the following: (a) a final approved eligibility and claim-
19 share list; (b) a Notice of Eligibility and Claim Share Amount; (c) a Notice
20 of Ineligibility; and (d) a Notice of Appeal Rights. Upon receiving these
21 materials from the EEOC, the Settlement Administrator will mail to each
22 Eligible Claimant a Notice of Eligibility and Claim Share Amount, a Notice
23 of Appeal Rights, the appropriate release agreement and a return envelope
24 addressed to the Settlement Administrator. For each PAI determined to be
25 ineligible, the Settlement Administrator will mail a Notice of Ineligibility, a
26 Notice of Appeal Rights, and a return envelope addressed to the Settlement
27 Administrator.
- 28 j. **Processing Appeals.** The Settlement Administrator will receive and

1 forward any appeals to the EEOC, together with the Settlement
2 Administrator's recommendation. The EEOC will make a final
3 determination on each appeal. If any adjustment is made as a result of an
4 appeal, the Settlement Administrator will send a revised Notice of
5 Eligibility and Claim Share to the Claimant, along with the appropriate
6 release agreement to the extent not already executed.

7 k. **Final Distribution List.** Upon final determination of all appeals, the EEOC
8 will provide the Settlement Administrator and Defendants a Final
9 Distribution List.

10 l. **Final Distribution.** Within ten (10) calendar days from the later of (a)
11 receipt of the Final Distribution List from the EEOC and confirmation that
12 each individual has executed the appropriate release agreement, or (b) the
13 Settlement Administrator converts the AAL stock into cash and deposits
14 the cash into an interest bearing account pursuant to Paragraph 22 above,
15 the Settlement Administrator will issue and mail checks to Eligible
16 Claimants in accordance with the Final Distribution List.

17 m. **Distribution to Charging Parties:** As soon as possible, and no later than
18 sixty (60) calendar days after the Settlement Administrator converts the
19 AAL stock into cash and deposits the cash into an interest bearing account
20 pursuant to Paragraph 22 above, the EEOC will provide the Settlement
21 Administrator and the Defendants with the list of Charging Parties and
22 corresponding monetary amounts to be paid to each Charging Party,
23 including the percentage of that payment allocated to back pay and
24 compensatory damages.

25 n. Within ten (10) calendar days from the later of (a) receipt of the list
26 provided for in Paragraph 22.m above, or (b) the Settlement Administrator
27 converting the AAL stock into cash and depositing the cash into an interest
28 bearing account pursuant to Paragraph 22 above, the Settlement

1 Administrator will issue and mail checks to the Charging Parties.

2 o. **Qualified Settlement Fund Status and Tax Reporting:** The Parties agree

3 that the Settlement Fund, which is the repository of the Plan distributions

4 with respect to the EEOC Allowed Claim, is intended to be treated as a

5 “qualified settlement fund” within the meaning of Treasury Regulation §

6 1.468B-1 and analogous state, local and/or foreign statute, law, rule, or

7 regulation. The Parties also acknowledge with respect thereto that, in

8 accordance with the Plan, the “transferor” to the Settlement Fund under

9 Treasury Regulation § 1.468B-1(d)(1) is the Disputed Claims Reserve (as

10 defined in the Plan), and agree that the Settlement Administrator shall be

11 the administrator of the Settlement Fund as defined by § 1.468B-2(k)(3)

12 and any state, local and/or foreign statute, law, rule, or regulation. The

13 Parties also agree that the Settlement Fund shall be available for the

14 payment of any taxes on earnings from or otherwise imposed in respect of

15 the Settlement Fund and its assets, including, without limitation, any taxes

16 in respect of any gain from the sale of the stock received. The Settlement

17 Administrator shall timely prepare and file any and all tax returns,

18 statements, information returns, and other tax filings required to be filed

19 with respect to the Settlement Fund, consistent with the intended treatment

20 of the fund for federal income tax purposes and for state, local and/or

21 foreign tax purposes and shall timely pay all taxes due with respect thereto.

22 In furtherance thereof, and in furtherance of subsection p. of this paragraph,

23 without limiting the foregoing, the Settlement Administrator shall be

24 responsible for all information reporting (e.g., IRS Form 1099s) with

25 respect to payments from the Settlement Fund and all applicable federal,

26 state, and local tax withholding and reporting with respect to payments to

27 Charging Parties. The Settlement Administrator shall provide the

28 Defendants and the Disputed Claims Reserve (as defined in the Plan) with a

1 copy of all tax returns on or before the day on which such tax return is
2 filed.

3 p. Payments to Charging Parties will be divided pursuant to Paragraph 22.m.
4 between back pay, reported on W-2 forms, and compensatory damages,
5 reported on 1099 forms. The Settlement Administrator will issue all
6 required tax reporting forms to each Charging Party and Eligible Claimant
7 who receives a distribution from the EEOC Allowed Claim, and file such
8 forms with the Internal Revenue Service. The Settlement Administrator
9 will withhold all required income and Federal Insurance Contribution Act
10 (FICA) taxes. All employer contributions for FICA and Federal
11 Unemployment Tax Act taxes will be paid from the EEOC Allowed Claim
12 by the Settlement Administrator. The Charging Parties and Eligible
13 Claimants who receive a payment from the EEOC Allowed Claim shall be
14 exclusively liable for the payment of all federal and state taxes due as the
15 result of the money they receive and shall pay such taxes at the time and in
16 the amount required of them.

17 q. **Returned and/or Uncashed Checks.** If any checks are returned as
18 undeliverable, the Settlement Administrator will attempt to find an updated
19 address and will provide the EEOC with the name, last known address, date
20 of birth, and social security number of the Eligible Claimant. If an updated
21 address can be found, the check will be re-mailed. If an Eligible Claimant
22 fails to present his/her check after ninety (90) calendar days of it being
23 issued, the Settlement Administrator will provide the EEOC with the name,
24 last known address, date of birth, and social security number of the Eligible
25 Claimant. If there are any undistributed monetary amounts from the EEOC
26 Allowed Claim after exhausting these efforts to locate the Eligible
27 Claimants, the remaining amounts shall be paid to one or more charities
28 and/or non-profit organizations mutually agreed to by the Parties.

VI. EQUITABLE RELIEF

1
2 23. Defendants, their supervisors, managers, officers, and corporate
3 successors, shall not engage in any employment practice that discriminates on the basis
4 of disability, including but not limited to failing to provide reasonable accommodations
5 to employees with disabilities in accordance with the ADA.

6 24. Defendants, their supervisors, managers, officers, and corporate successors,
7 shall not engage in retaliation of any kind against any person because of such person's
8 opposition to any practice made unlawful under the ADA. Defendants shall not retaliate
9 against a person because such person brings an internal complaint of discrimination
10 covered by the ADA with the Defendants, because such person files or causes to be filed
11 a charge of discrimination with the Commission or any other agency charged with the
12 investigation of employment discrimination complaints covered by the ADA, or whose
13 statements serve as the basis of a charge, or because such person testifies or participates
14 in the investigation or prosecution of an alleged violation of the ADA, including this
15 investigation, conciliation and litigation.

16 25. In accordance with the ADA, Defendants shall engage in the interactive
17 process with employees who request a reasonable accommodation.

18 26. American and Envoy, as applicable, shall provide each Charging Party and
19 Eligible Claimant with a neutral reference through the Worknumber. The reference will
20 include the dates of service and position held. In order to receive the reference, the
21 Charging Parties and Eligible Claimants must direct prospective employers and others to
22 contact the Worknumber at 1-800-367-2884.

23 27. As soon as practical, but no later than one hundred and eighty (180) days
24 after the Effective Date, Defendants shall remove from all of the Charging Parties', who
25 execute the release, personnel files (a) any and all references to the allegations of
26 discrimination filed against Defendants that formed the basis of this action; and (b) any
27 and all references to each Charging Party's participation in this action. Within one
28 hundred and eighty (180) days of the EEOC's disclosure of eligible claimants to

1 Defendants, Defendants shall remove from all of the Eligible Claimants' (who executed
2 the release) personnel files (a) any and all references to the allegations of discrimination
3 filed against Defendants that formed the basis of this action; and (b) any and all
4 references to each Eligible Claimant's participation in this action.

5 28. Notice Posting: Within sixty (60) days of the Effective Date, American
6 and Envoy shall each post a notice in each of their respective stations in the form
7 attached as Exhibits D and E, respectively. American and Envoy shall also make the
8 notice available to employees on their respective intranets and, for the two-year period
9 following the Effective Date of this Decree, shall provide a copy of the applicable notice
10 to all employees at the time of hire. American and Envoy shall certify to the EEOC that
11 the respective notices have been posted nationwide within sixty (60) days of the Effective
12 Date.

13 29. Training: Within one hundred and eighty (180) days of the Effective Date,
14 American and Envoy shall each:

- 15 a. Make at least a one (1) hour long computer-based training on the ADA
16 available to their respective employees;
- 17 b. Provide four (4) hours of live nationwide training to all of their respective
18 ADA Coordinators and Human Resources employees who assist their
19 employees with the accommodation process regarding the following topics:
 - 20 i. EEOC's Guidelines on the ADA;
 - 21 ii. Defendants' policies prohibiting disability-based harassment and
22 retaliation;
 - 23 iii. The provisions of this Decree; and
 - 24 iv. Defendants' policies and procedures for providing reasonable
25 accommodation for disabilities, including leave and reassignment.

26 This training shall include, at minimum, (a) discussion of
27 Defendants' policy regarding disability discrimination; (b)
28 description of the types of conduct or policies that constitute

1 discrimination under the ADA; (c) explanation that employees may
2 report suspicions of disability discrimination to their manager or
3 supervisor, or Human Resources, and that a prompt investigation
4 will follow; (d) explanation of who is a qualified individual with a
5 disability; (e) explanation of the interactive process; (f) explanation
6 of what reasonable accommodations are, including leave and
7 reassignment; (g) explanation of the process for employees to
8 request reasonable accommodation; (h) explanation that
9 reassignment and transfers may constitute reasonable
10 accommodations and the process for seeking such accommodations;
11 (i) explanation that a reasonable accommodation request can be
12 made to Human Resources, or the employee's supervisor or
13 manager(s) orally or in writing and can be made without using any
14 buzzwords, including the words "reasonable accommodation"; and
15 (j) emphasis that Defendants will work in good faith to arrive at an
16 effective reasonable accommodation for an employee who has a
17 disability.

18 c. Defendants shall bear the cost of the training detailed in this Paragraph of
19 the Decree.

20 d. Defendant will provide the training in Paragraph 29.b. annually for the
21 duration of the Decree.

22 **VII. ADA COORDINATOR**

23 30. Within sixty (60) days of the Effective Date, and for the duration of this
24 Decree, American and Envoy shall each identify an employee whose responsibilities
25 shall include that of ADA Coordinator as described below. Such person shall have
26 expertise in the ADA, EEO compliance, human resources, and personnel matters.

27 31. American and Envoy will ensure that their respective ADA Coordinator has
28 adequate staff to accomplish all of his or her responsibilities.

- 1 32. The ADA Coordinator at American and Envoy, or his/her designee, shall
2 be responsible for the following with respect to the ADA at each respective carrier:
- 3 a. Assisting human resource, supervisory, and managerial employees with their
4 ADA responsibilities;
 - 5 b. Assisting human resource, supervisory, and managerial employees with
6 remaining in full compliance with this Decree;
 - 7 c. Assisting with creating, revising, and/or implementing ADA-compliant
8 procedures;
 - 9 d. Assisting with reviewing, revising, and republishing job descriptions to ensure
10 that marginal job duties are not listed as essential job functions in job
11 descriptions;
 - 12 e. Assisting with creating and implementing the ADA training required under
13 Paragraph 29 of this Decree;
 - 14 f. Assisting in ensuring that any medical inquiries and requirements for any
15 medical exams are in accordance with the ADA;
 - 16 g. Providing advice about ways to better achieve full compliance with the ADA;
 - 17 h. Evaluating whether any changes to Defendants' policies and procedures
18 adequately protect employees with a disability from disability discrimination,
19 harassment, or retaliation; and
 - 20 i. Reviewing all cases in which an American or Envoy employee requests and is
21 denied a reasonable accommodation in his/her current position, or is on a leave
22 of absence as a reasonable accommodation, and that leave of absence extends
23 beyond 100 days. If the ADA Coordinator determines a reasonable
24 accommodation is available to the employee in his/her current position, then
25 the ADA Coordinator will instruct the appropriate American or Envoy
26 personnel to provide the reasonable accommodation as soon as practical after
27 making the determination.
 - 28 j. In situations where the employee cannot be accommodated in the employee's

1 current position, reviewing all cases in which an American or Envoy employee
2 makes a written request for reassignment to a vacant position before
3 commencing a paid/unpaid sick leave of absence, and the request is denied. If
4 the ADA Coordinator determines that the employee should have been
5 reassigned to the vacant position, then the ADA Coordinator will instruct the
6 appropriate American or Envoy personnel to provide the reassignment as soon
7 as practical after making the determination.

8 **VIII. EMPLOYMENT POLICIES AND PRACTICES**

9 33. Unless required by law or regulation, Defendants agree not to adopt or
10 enforce a policy and/or practice that:

- 11 a. Prohibits employees from continuing to work, or returning to work, solely
12 because the employee has medical restrictions;
- 13 b. Places restrictions on employees more restrictive than those proposed by the
14 employee's personal physician, unless the employee has had more restrictive
15 restrictions assigned to him or her by an Independent Medical Examiner, or
16 Defendants reasonably believe the employee poses a direct threat and has done
17 a direct threat assessment;
- 18 c. Discriminates against individuals who are disabled under the ADA with
19 respect to the hiring, transfer, promotion, or any other terms and conditions of
20 employment;
- 21 d. Restricts employees with medical restrictions and/or out on leave for medical
22 reasons from transferring to another position within the employing entity
23 solely based on the employee's medical restrictions and/or leave status,
24 provided the employee can perform the essential functions of the position, with
25 or without a reasonable accommodation, subject to any seniority provisions in
26 applicable collective bargaining agreements;
- 27 e. Restricts employees with medical restrictions and/or who are out on a medical
28 leave from applying for a promotion or obtaining a promotion solely because

- 1 such employee has medical restrictions or is out on a medical leave;
- 2 f. Makes inquiries relating to employees' medical history and/or medical
- 3 conditions unless such inquiries are permissible under the ADA;
- 4 g. Retaliates against employees who engage in protected activities under the
- 5 ADA;
- 6 h. Classifies, segregates, limits, or otherwise hinders any employee's and/or
- 7 applicant's ability to fully exercise his or her rights under the ADA;
- 8 i. Limits, restricts, or interferes with the ability of any employee with a disability
- 9 to be reassigned to a suitable, equivalent position for which the employee is
- 10 qualified based solely on an employee's disability;
- 11 j. Requires disabled employees to compete with non-disabled employees for
- 12 equivalent or lower positions when reassignment to an equivalent or lower
- 13 position would serve as an accommodation of last resort under the ADA;
- 14 k. Requires disabled employees to list any specific individual as their supervisor
- 15 when exploring reassignment as a possible reasonable accommodation, but
- 16 instead, allows disabled employees to list their actual supervisor; or
- 17 l. Interferes with the ADA rights of its employees, including but not limited to an
- 18 employee's right to a reasonable accommodation and to be free of retaliation.

19 34. Within one hundred and twenty (120) days of the Effective Date, and to the
20 extent not already accomplished, Defendants agree to adopt a policy and/or practice to:

- 21 a. Assist disabled employees with the reassignment process when disabled
- 22 employees are exploring reassignment as a possible reasonable
- 23 accommodation; and
- 24 b. Differentiate between essential and marginal job functions when determining
- 25 whether a reasonable accommodation can be made for an individual with a
- 26 disability.

27 35. **Job Descriptions:** Within one-hundred and twenty (120) days of the
28 Effective Date, Defendants shall revise their respective job descriptions to include a

1 statement indicating that reasonable accommodations may be made for qualifying
 2 individuals with disabilities. As soon as practical but no later than twenty (20) months
 3 from the Effective Date, Defendants shall also analyze their respective job descriptions,
 4 and, if necessary, revise any job descriptions accurately to reflect essential job functions.
 5 Defendants shall identify which job functions listed on the job descriptions are essential,
 6 rather than marginal functions, and shall ensure that all listed qualifications are, in fact,
 7 job related, and consistent with business necessity. Upon completion, Defendants will
 8 provide the EEOC copies of all of its revised job descriptions.

9 **36. Reasonable Accommodation Procedures:** Within one-hundred and
 10 twenty (120) days of the Effective Date, American and Envoy shall assign responsibility
 11 for the reasonable accommodation process to employees in their respective Human
 12 Resources Departments, who shall work with the respective ADA Coordinators to ensure
 13 that disabled employees are provided with reasonable accommodations in accordance
 14 with the provisions of the ADA.

15 **37. Collective Bargaining Agreements:** Nothing in this Decree shall be
 16 construed to impose obligations on American or Envoy that are inconsistent with the
 17 Supreme Court's ruling in *US Airways, Inc. v. Barnett*, 535 U.S. 391, 404 (2002)
 18 regarding Collective Bargaining Agreements.

19 **IX. REPORTING**

20 **38.** Throughout the duration of the injunctive relief provisions applicable to
 21 Defendants in this Decree, Defendants shall keep, maintain, and safeguard the following:
 22 (a) their employees' personnel files; (b) all records of employee complaints of disability
 23 discrimination and/or retaliation; (c) all records pertaining to investigations of alleged
 24 disability discrimination and/or retaliation, including but not limited to witness
 25 statements, documents compiled, conclusions and findings, and any corrective or
 26 remedial actions taken; and (d) records evidencing employee requests for reasonable
 27 accommodations ("Request Records") and the results of those requests ("Results
 28 Records"), including such records created or held by Defendants respective ADA

1 Coordinators.

- 2 a. Within seventy-five (75) days of the Effective Date, Defendants shall certify to
3 the EEOC that they have complied with Paragraph 27's removal requirements;
- 4 b. Within sixty (60) days of the Effective Date, Defendants shall certify to the
5 EEOC that the notice posting requirement of Paragraph 28 has been met;
- 6 c. Defendants shall certify to the EEOC within thirty (30) calendar days of the
7 completion of the live training for the ADA Coordinator and Human
8 Resources employees, indicating the training was conducted, location of the
9 training, and a list of all attendees by name and job title;
- 10 d. Defendant shall certify to the EEOC within two-hundred and seventy (270)
11 days of the Effective Date that it has made the one (1) hour of computer based
12 training available to its employees.
- 13 e. Within seventy-five (75) days of the Effective Date, Defendants shall provide
14 the EEOC with the name, job title, and list of job duties of the person appointed
15 to the ADA Coordinator positions under Paragraph 30 of the Decree;
- 16 f. Upon completion, Defendants shall provide the EEOC copies of all job
17 descriptions revised pursuant to Paragraph 35 of the Decree.
- 18 g. Beginning one-hundred and eighty (180) days after the Effective Date, and
19 continuing every six (6) months for the duration of the injunctive relief
20 provisions applicable to Defendants in this Decree, American and Envoy shall
21 provide the EEOC their respective Request Records and Results Records.
- 22 h. Within thirty (30) days of the Effective Date, Defendants shall provide the
23 EEOC copies of all ADA policies that conform to the requirements of
24 Paragraphs 33 and 34. If Defendants make any revisions to their ADA policies
25 during the term of this Decree, Defendants shall provide the EEOC copies of all
26 such revised ADA policies within thirty (30) days of the revisions.

27 **X. ENFORCEMENT, EXPIRATION, AND COSTS/FEES ASSOCIATED WITH**
28 **THE DECREE**

1 39. There is no private right of action to enforce Defendants’ obligations under
2 the Decree and only the Commission may enforce compliance.

3 40. Absent extension, this Decree shall expire by its own terms at the end of two
4 (2) years from the Effective Date without further action by the Parties.

5 **XI. NOTICE AND SIGNATURES**

6 41. **Notice:** Defendants shall direct any and all correspondence, notice, or
7 reporting it is required to provide the EEOC pursuant to this Decree to the Phoenix
8 District Office of the Equal Employment Opportunity Commission, Attention: Regional
9 Attorney, 3300 N. Central Avenue Suite 690, Phoenix, AZ 85012. The EEOC shall
10 direct all notices relating to this Decree regarding American to Karen Gillen, Associate
11 General Counsel, American Airlines, Inc. at karen.gillen@aa.com and 4333 Amon Carter
12 Boulevard, Fort Worth, TX. The EEOC shall direct all notices relating to this Decree
13 regarding Envoy to Chris Pappaioanou, Vice President – Legal, Labor, and Employment,
14 Envoy Air Inc. at chris.pappaioanou@aa.com and 4301 Regent Blvd., Irving, Texas
15 75063.

16 42. The Parties agree to the entry of this Decree subject to final approval by
17 this Court and the Bankruptcy Court.

18 **SO ORDERED** this ____ day of _____, ~~2017~~**2018**.

19 BY THE COURT:

20 _____
21 United States District Judge

22
23 **BY CONSENT:**

24 EQUAL EMPLOYMENT
25 OPPORTUNITY COMMISSION

AMERICAN AIRLINES, INC.

26 By: _____
27 Mary Jo O’Neill
28 Regional Attorney

By: _____
Karen Gillen
Associate General Counsel
American Airlines, Inc.

1 Date: _____

Date: _____

2

3

ENVOY AIR INC.

4

By: _____

5

Chris Pappaioanou
Vice President - Legal, Labor, and
Employment, Envoy Air Inc.

6

7

Date: _____

8

APPROVED AS TO FORM:

9

10

Michael Baskind
Trial Attorney
EEOC Phoenix District Office
3300 N. Central Ave., Suite 690
Phoenix, Arizona 85012
Telephone: (602) 640-5003

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Attorney for Plaintiff EEOC

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O'Melveny & Myers LLP
Mark W. Robertson
Kelly Wood
Times Square Tower
7 Times Square
New York, New York 10036
Telephone: (212) 430-6000

Attorneys for Defendants
American Airlines, Inc. and Envoy Air
Inc.

Exhibit 2

Alvarado Amended Consent Decree

1 Mary Jo O'Neill, AZ Bar #005924
Michael Baskind, AZ Bar #030810
2 Rita Byrnes Kittle, CO Bar #17871
3 **Equal Employment Opportunity**
Commission, Phoenix District Office
3300 N. Central Ave., Suite 690
4 Telephone: (602) 640-5003
Fax: (602) 640-5009
5 Email: mary.oneill@eeoc.gov
michael.baskind@eeoc.gov
6 rita.kittle@eeoc.gov

7 Attorneys for Plaintiff

8 Mark W. Robertson (N.Y. S.B. # 4508248)
Kelly Wood (C.A. S.B. # 267518)
9 **O'Melveny & Myers LLP**
7 Times Square
10 New York, New York 10036
Telephone: (212) 430-6000
11 Fax: (213) 430-6407
Email: mrobertson@omm.com
12 kwood@omm.com

13 Attorneys for Defendants

14 IN THE UNITED STATES DISTRICT COURT
15 FOR THE DISTRICT OF ARIZONA

16 Equal Employment Opportunity
17 Commission,

18 Plaintiff,

19 v.

20 American Airlines, Inc. and Envoy Air
Inc.,

21 Defendants.

Civil Action No.: CV-17-04059-PHX-
SPL

AMENDED CONSENT DECREE

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I. RECITALS

1
2 1. In this matter, Plaintiff Equal Employment Opportunity Commission
3 (“Plaintiff” or “EEOC”), an agency of the United States government, alleges that
4 Defendants American Airlines, Inc. (“American”) and Envoy Air Inc. (“Envoy”)
5 (collectively, “Defendants”) violated the Americans with Disabilities Act (“ADA”). The
6 EEOC and Defendants are collectively referred to as the “Parties.” Provisions of this
7 Consent Decree (“Decree”) applicable to “Defendants” shall apply separately to
8 American and Envoy as individual and separate carriers. Accordingly, American is
9 responsible only for fulfilling obligations involving American employees, and likewise,
10 Envoy is responsible only for obligations involving Envoy employees.

11 2. The Parties desire to settle this matter (the “Lawsuit”) by an appropriate
12 Decree, and agree to the jurisdiction of this Court over the Parties and the subject matter
13 of this Lawsuit and to the power of this Court to enter a Decree enforceable against the
14 Parties.

15 3. Defendants deny all allegations set forth in this Lawsuit, as well as those
16 set forth in the Charges and the Determination Letters (as defined below). By entering
17 into this Decree, Defendants deny and do not admit, either expressly or implicitly, that
18 they violated any federal, state, or local law, or that they have any liability related to this
19 Lawsuit or the Charges or Determination Letters. Defendants maintain that they provide
20 equal employment opportunities for all employees and have entered into this Decree to
21 avoid the disruption, costs, delay, and expense of continued litigation. This Decree shall
22 not be construed as an admission by Defendants of any discriminatory or unlawful
23 conduct.

24 4. As to the issues resolved, this Decree is final and binding upon the Parties
25 and their successors and assigns.

26 5. For the purpose of amicably resolving this Lawsuit, the Parties jointly
27 request this Court to adjudge as follows:

28 **IT IS ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:**

1 **II. JURISDICTION**

2 6. The Parties stipulate to the jurisdiction of the Court over the Parties and
3 subject matter of this Lawsuit and have waived the entry of findings of fact and
4 conclusions of law.

5 7. The Parties agree that this Decree is fair, reasonable, and equitable and
6 does not violate the law or public policy.

7 **III. TERM AND SCOPE**

8 8. This Decree shall be effective on the later of (i) the date it is signed by this
9 Court or (ii) the date on which an order from the United States Bankruptcy Court for the
10 Southern District of New York (the “Bankruptcy Court”) approving the monetary relief
11 provided for in this Decree is issued (the “Effective Date”).

12 9. The duration of the Decree shall be two (2) years from the Effective Date.

13 10. This Decree covers all of Defendants’ operations within the United States
14 and its territories.

15 **IV. GENERAL PROVISIONS**

16 11. In the event that the EEOC believes that American or Envoy did not
17 comply with any provision of the Decree, the EEOC may bring an action before this
18 Court to enforce the Decree. Prior to initiating such action, the EEOC shall notify
19 American and/or Envoy and their respective legal counsel of record, in writing, of the
20 nature of the dispute. The notice shall specify the particular provision(s) of the Decree
21 that the EEOC believes were breached. American and/or Envoy shall have sixty (60)
22 days from the date of receipt of the notice (the “Notice Period”) to attempt to resolve or
23 cure the breach; however, the Parties may agree to extend the Notice Period upon mutual
24 consent. After the Notice Period has passed without resolution or agreement to extend
25 the Notice Period further, the EEOC may petition this Court for resolution of the dispute.

26 12. This Decree may be executed in any number of counterparts, each of which
27 will be considered an original and all of which together will constitute the Decree.

28 13. This Decree constitutes a complete resolution of the claims in this Lawsuit,

1 and all issues of law and fact that were raised by the EEOC in this Lawsuit. This Decree
2 also constitutes a complete resolution of any and all claims that the EEOC could have
3 brought against Defendants, as well as Defendants' parent and subsidiary corporations,
4 past, present and future, and all of their directors, officers, and employees, seeking relief
5 for any current or former employee of Defendants with respect to: (a) the findings
6 contained in the Determination Letters; and (b) any act or omission of Defendants
7 occurring prior to the Effective Date arising from the alleged improper policies or
8 practices identified by the EEOC in the Determination Letters. The EEOC will not bring
9 or litigate the issues identified in the EEOC's Determination Letters nationwide, or on a
10 classwide or individual basis. Nothing in this paragraph affects the EEOC's ability,
11 responsibility and authority to receive and investigate any subsequently filed charges of
12 discrimination or to bring a subsequent lawsuit against Defendants regarding matters not
13 covered in this Lawsuit or the Letters of Determination giving rise to this Lawsuit.

14 14. It is also the intent of the Parties that American and Envoy's compliance
15 with this Decree will fully and completely resolve: (a) Darla Alvarado v. American
16 Airlines (540-2009-01250); Janet Reyes v. American Airlines (540-2013-02951); Sherrie
17 Edwards-Redd v. American Airlines (564-2013-01151); Vicki Groves v. American
18 Airlines (540-2013-03526); Wanda Villanueva v. American Airlines (524-2014-00072);
19 Chrissie L. Ball v. American Airlines (540-2015-02142); Jodi Isenberg v. American
20 Airlines (540-2015-01742); Lisa Walker v. American Airlines (511-2015-01560); Danny
21 Hill v. American Eagle Airlines (493-2014-01307); Brenda Gallardo v. American Eagle
22 Airlines (510-2013-02881) and (510-2013-05173); Tanya Howard v. American
23 Airlines (540-2015-02025); Tanya Merriweather v. American Airlines (846-2013-
24 51903); and Micah Peterson v. American Airlines (540-2011-0004) (collectively
25 "Charging Parties") charges of discrimination (collectively, the "Charges"); (b) all issues
26 of law and fact which were raised by the EEOC in this Lawsuit; and (c) the EEOC's
27 claims of disability discrimination, which the EEOC could have brought based on the
28 Determination Letters that were issued for the Charges. "Determination Letters" as used

1 in this Decree means the Determination Letters issued by the EEOC in response to the
2 Charges listed above on July 29, 2015, July 30, 2015, August 17, 2015, August 21, 2015,
3 and December 16, 2015.

4 15. Defendants and their respective officers will not interfere with the relief
5 ordered in this Decree and shall cooperate in the implementation of this Decree.

6 16. The Parties to this Decree shall bear their own expenses and costs,
7 including their own attorneys' fees, associated with the Lawsuit and this Decree.

8 **V. MONETARY RELIEF**

9 17. Within ten (10) days after the Effective Date, the EEOC shall be deemed to
10 hold an Allowed American General Unsecured Claim (as defined in the Debtors' Fourth
11 Amended Joint Chapter 11 Plan (the "Plan")) in the amount of \$9,800,000.00 (the
12 "EEOC Allowed Claim"). The distribution mechanics shall be governed by the Plan.
13 Because distributions on an Allowed American General Unsecured Claim (as defined in
14 the Plan) are made in common stock of American Airlines Group Inc. ("AAL"), the
15 Parties acknowledge that the ultimate dollar value of the settlement will depend upon the
16 trading price of AAL, and that this Decree is fully enforceable no matter the trading price
17 of AAL. Within ten (10) days after the Effective Date, Defendants will cause the claims
18 agent to adjust the claims register in accordance with this Decree. Thereafter, in
19 accordance with the Plan and this Decree, the Disputed Claims Reserve (as defined in the
20 Plan) will make a distribution of AAL stock on the first Distribution Date (as defined in
21 the Plan) following the Effective Date to the Settlement Administrator. Defendants shall
22 notify the EEOC of the distribution within three (3) days of the distribution of AAL stock
23 to the Settlement Administrator. The Settlement Administrator will be responsible for
24 converting the stock into cash and depositing the cash in an interest bearing fund used
25 exclusively for the purposes of implementing this Decree.

26 18. The EEOC Allowed Claim constitutes all of the monetary relief to which
27 the EEOC is entitled under this Decree to distribute to Charging Parties and claimants
28 eligible to receive a settlement ("Eligible Claimants"), which includes all applicable

1 federal (including, but not limited to, Federal Insurance Contribution Act and Federal
2 Unemployment Tax Act taxes), state and local taxes typically paid by employers in
3 regards to employee compensation. The EEOC agrees that the EEOC Allowed Claim
4 will be used solely for the benefit of the Charging Parties and Eligible Claimants, except
5 to the extent it is distributed to a charity or non-profit pursuant to this Decree.

6 19. No distribution shall be made by the Settlement Administrator to any
7 Charging Party without the execution of the release agreement attached as Exhibit A, an
8 executed copy of which must be provided to the appropriate Defendant for each Charging
9 Party prior to any monetary distribution by the Settlement Administrator to such
10 individual.

11 20. No distribution shall be made by the Settlement Administrator to any
12 Eligible Claimant without the execution of the release agreement attached as Exhibit A,
13 an executed copy of which must be provided to the appropriate Defendant for each
14 Eligible Claimant prior to any monetary distribution by the EEOC or the Settlement
15 Administrator to such individual.

16 21. **Withdrawal of Proofs of Claim:** Upon the date that the Disputed Claims
17 Reserve distributes AAL stock consistent with the terms of this Decree to the Settlement
18 Fund created by the Settlement Administrator, the proofs of claim filed in Defendants'
19 chapter 11 bankruptcy cases listed on Exhibit B shall be deemed satisfied with prejudice
20 and the Defendants' claims agent, GCG, Inc., shall be authorized to adjust the claims
21 register in accordance with the terms of this Decree. "Settlement Fund" means any and
22 all consideration distributed pursuant to this Decree to the Settlement Administrator,
23 including any proceeds realized from the disposition thereof and any earnings thereon
24 (inclusive of any reinvestment of proceeds and any interest that accrues in any account
25 created by the Settlement Administrator in furtherance of his duties hereunder), which
26 amounts shall be held in a separate account by the Settlement Administrator in
27 accordance with the terms of this Decree.

28 22. **Settlement Administrator:** Within ten (10) calendar days after the

1 Effective Date, Defendants and EEOC will appoint a Settlement Administrator mutually
2 acceptable to the Parties to handle the claim process for distribution of the Settlement
3 Fund. The Settlement Administrator shall be unrelated to, and independent of, the
4 Defendants within the meaning of Treasury Regulation §§ 1.468B-1(d) and 1.468B-
5 3(c)(2)(A). The Parties each agree that they will not have any financial interest in the
6 Settlement Administrator or otherwise have a relationship with the Settlement
7 Administrator that could create a conflict of interest. Disputes relating to the Settlement
8 Administrator's performance of its duties may be referred to this Court, if necessary,
9 which will have continuing non-exclusive jurisdiction over the terms and conditions of
10 this Decree until all payments and obligations contemplated by this Decree have been
11 fully carried out. All administration costs, including fees paid to the Settlement
12 Administrator up to a maximum of \$150,000, shall be paid by Defendants. Any fees
13 exceeding \$150,000 to the Settlement Administrator shall be paid out of the Settlement
14 Fund. The Settlement Administrator will be responsible for (a) accepting the distribution
15 of AAL stock from the Disputed Claims Reserve pursuant to Paragraph 17 above and
16 converting that stock into cash at the earliest possible date, but no later than ten (10)
17 business days after receiving the distribution of stock from the Disputed Claims Reserve;
18 (b) opening, maintaining and securing an interest bearing fund for the sole purpose of
19 housing the cash resulting from the stock-to-cash conversion detailed in part (a) of this
20 Paragraph; (c) depositing the funds into the interest bearing account within two (2)
21 business days of the stock-to-cash conversion detailed in Paragraph 22(a) being
22 effectuated; (d) establishing an informational website accessible to EEOC, and
23 potentially aggrieved individuals ("PAIs"); (e) establishing a toll-free telephone number
24 accessible to PAIs; (f) responding to information requests from PAIs; (g) sending the
25 Notice (attached as Exhibit C) and Claim Form (which shall be mutually agreed to by
26 Defendants and EEOC), to PAIs; (h) obtaining updated addresses for PAIs and re-
27 mailing returned notices; (i) receiving and processing claims; (j) evaluating claims based
28 on criteria provided by EEOC; (k) communicating a recommended distribution list to the

1 EEOC; (l) sending notices of claim share, and notices of appeal rights to PAIs
2 determined by EEOC to be eligible; (m) sending notices of ineligibility and notices of
3 appeal rights to PAIs determined by EEOC to be ineligible; (n) processing appeals and
4 forwarding them to EEOC for determination, together with the Settlement
5 Administrator's recommendation; (o) issuing payments in accordance with a final
6 distribution list provided by EEOC; (p) issuing and filing tax reporting forms,
7 withholding applicable taxes and paying all taxes typically paid by employers (e.g.,
8 FICA) related to each Charging Party and Eligible Claimant who receives a distribution
9 from the EEOC Allowed Claim; (q) communicating as necessary with EEOC and
10 Defendants; (r) tracking all necessary data regarding contact with the Charging Parties
11 and PAIs; (s) confirming each Charging Party and Eligible Claimant has executed the
12 appropriate release agreement prior to issuing a payment; and (t) distribution of the
13 Settlement Fund.

14 a. **Website and Toll-Free Telephone Number.** Within twenty (20) calendar
15 days after being retained, the Settlement Administrator will establish a
16 website and toll-free telephone number that will be accessible to PAIs.
17 Information posted on the website and available on a recorded message on
18 the toll-free telephone number will be limited to the general information
19 included in notices sent to PAIs or update information as to status of the
20 claim process (*i.e.*, claim-filing deadline; appeal deadline; projected
21 distribution date when known).

22 b. **Employee List.** Within twenty (20) calendar days after the Effective Date,
23 and based on a reasonable and diligent search of their respective records,
24 American and Envoy will each provide the Settlement Administrator with a
25 list of individuals each carrier employed, respectively, anywhere in the
26 United States and its territories who, during the period from January 1,
27 2009 until August 3, 2015:

28 i. Submitted a completed Request for Accommodation form to

- 1 American or Envoy; or
- 2 ii. Were reviewed by the Medical Review Board, except for those
- 3 individuals reviewed exclusively for purposes of obtaining disability
- 4 benefits; or
- 5 iii. Were reviewed by the Accommodation Review Board.
- 6 c. The Employee Lists shall exclude corporate officers of American and
- 7 Envoy, as well as employees who were subject exclusively to US Airways,
- 8 Inc. ADA policies from January 1, 2009 through August 3, 2015 (i.e.,
- 9 legacy US Airways employees).
- 10 d. For each individual on the Employee Lists, and on the same day the
- 11 Employee Lists are provided to the Settlement Administrator pursuant to
- 12 Paragraph 22.b. of this Decree, Defendants will provide the following
- 13 information, if reasonably available to Defendants: (a) full name, including
- 14 all known prior names or aliases; (b) last known address; (c) last known
- 15 telephone number; (d) dates of birth; and (e) last known personal e-mail
- 16 address.
- 17 e. **Mailing Notice and Claim Form.** Upon receipt of the Employee Lists, the
- 18 Settlement Administrator will utilize available resources to update
- 19 addresses provided by Defendants, and will mail the Notice, Claim Form,
- 20 appropriate release agreement, and return envelope addressed to the
- 21 Settlement Administrator, to each individual on the Employee Lists at the
- 22 best address the Settlement Administrator has found. The Notice and
- 23 Claim Form will be mailed at the earliest possible date, but not later than
- 24 ninety (90) calendar days after the Effective Date.
- 25 f. **Return Mail Handling.** For each piece of mail returned as undeliverable,
- 26 the Settlement Administrator will make reasonable efforts, using services
- 27 such as Accurint and CLEAR, to obtain an updated address and will re-
- 28 mail based on the updated address.

- 1 g. **Claim-Filing Deadline.** The final claim-filing deadline will be sufficient to
2 allow at least thirty (30) calendar days for response to re-mailed Notices.
- 3 h. **Claim Evaluation.** The Settlement Administrator will evaluate claims of
4 the PAIs based on objective criteria provided by the EEOC, and will
5 provide its recommendations to the EEOC and Defendants within sixty (60)
6 calendar days after the final claim-filing deadline. Defendants may provide
7 in writing any input they have on the Settlement Administrator’s
8 recommendations to the EEOC within thirty (30) calendar days of
9 Defendants’ receipt of the recommendations. If Defendants challenge a
10 particular claim, they will provide the EEOC with an explanation of the
11 factual bases for any such challenge, together with any supporting
12 evidence. However, the EEOC reserves the right to reject the Settlement
13 Administrator’s recommendations and/or Defendants’ input.
- 14 i. **Notices to Claimants.** As soon as possible, and no later than one-hundred
15 and eighty(180) calendar days after receiving the Settlement
16 Administrator’s recommendations, the EEOC will provide the Settlement
17 Administrator with the following: (a) a final approved eligibility and claim-
18 share list; (b) a Notice of Eligibility and Claim Share Amount; (c) a Notice
19 of Ineligibility; and (d) a Notice of Appeal Rights. Upon receiving these
20 materials from the EEOC, the Settlement Administrator will mail to each
21 Eligible Claimant a Notice of Eligibility and Claim Share Amount, a Notice
22 of Appeal Rights, the appropriate release agreement and a return envelope
23 addressed to the Settlement Administrator. For each PAI determined to be
24 ineligible, the Settlement Administrator will mail a Notice of Ineligibility, a
25 Notice of Appeal Rights, and a return envelope addressed to the Settlement
26 Administrator.
- 27 j. **Processing Appeals.** The Settlement Administrator will receive and
28 forward any appeals to the EEOC, together with the Settlement

1 Administrator's recommendation. The EEOC will make a final
2 determination on each appeal. If any adjustment is made as a result of an
3 appeal, the Settlement Administrator will send a revised Notice of
4 Eligibility and Claim Share to the Claimant, along with the appropriate
5 release agreement to the extent not already executed.

6 k. **Final Distribution List.** Upon final determination of all appeals, the EEOC
7 will provide the Settlement Administrator and Defendants a Final
8 Distribution List.

9 l. **Final Distribution.** Within ten (10) calendar days from the later of (a)
10 receipt of the Final Distribution List from the EEOC and confirmation that
11 each individual has executed the appropriate release agreement, or (b) the
12 Settlement Administrator converts the AAL stock into cash and deposits
13 the cash into an interest bearing account pursuant to Paragraph 22 above,
14 the Settlement Administrator will issue and mail checks to Eligible
15 Claimants in accordance with the Final Distribution List.

16 m. **Distribution to Charging Parties:** As soon as possible, and no later than
17 sixty (60) calendar days after the Settlement Administrator converts the
18 AAL stock into cash and deposits the cash into an interest bearing account
19 pursuant to Paragraph 22 above, the EEOC will provide the Settlement
20 Administrator and the Defendants with the list of Charging Parties and
21 corresponding monetary amounts to be paid to each Charging Party,
22 including the percentage of that payment allocated to back pay and
23 compensatory damages.

24 n. Within ten (10) calendar days from the later of (a) receipt of the list
25 provided for in Paragraph 22.m above, or (b) the Settlement Administrator
26 converting the AAL stock into cash and depositing the cash into an interest
27 bearing account pursuant to Paragraph 22 above, the Settlement
28 Administrator will issue and mail checks to the Charging Parties.

1 o. **Qualified Settlement Fund Status and Tax Reporting:** The Parties agree
2 that the Settlement Fund, which is the repository of the Plan distributions
3 with respect to the EEOC Allowed Claim, is intended to be treated as a
4 “qualified settlement fund” within the meaning of Treasury Regulation §
5 1.468B-1 and analogous state, local and/or foreign statute, law, rule, or
6 regulation. The Parties also acknowledge with respect thereto that, in
7 accordance with the Plan, the “transferor” to the Settlement Fund under
8 Treasury Regulation § 1.468B-1(d)(1) is the Disputed Claims Reserve (as
9 defined in the Plan), and agree that the Settlement Administrator shall be
10 the administrator of the Settlement Fund as defined by § 1.468B-2(k)(3)
11 and any state, local and/or foreign statute, law, rule, or regulation. The
12 Parties also agree that the Settlement Fund shall be available for the
13 payment of any taxes on earnings from or otherwise imposed in respect of
14 the Settlement Fund and its assets, including, without limitation, any taxes
15 in respect of any gain from the sale of the stock received. The Settlement
16 Administrator shall timely prepare and file any and all tax returns,
17 statements, information returns, and other tax filings required to be filed
18 with respect to the Settlement Fund, consistent with the intended treatment
19 of the fund for federal income tax purposes and for state, local and/or
20 foreign tax purposes and shall timely pay all taxes due with respect thereto.
21 In furtherance thereof, and in furtherance of subsection p. of this paragraph,
22 without limiting the foregoing, the Settlement Administrator shall be
23 responsible for all information reporting (e.g., IRS Form 1099s) with
24 respect to payments from the Settlement Fund and all applicable federal,
25 state, and local tax withholding and reporting with respect to payments to
26 Charging Parties. The Settlement Administrator shall provide the
27 Defendants and the Disputed Claims Reserve (as defined in the Plan) with a
28 copy of all tax returns on or before the day on which such tax return is

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filed.

p. Payments to Charging Parties will be divided pursuant to Paragraph 22.m. between back pay, reported on W-2 forms, and compensatory damages, reported on 1099 forms. The Settlement Administrator will issue all required tax reporting forms to each Charging Party and Eligible Claimant who receives a distribution from the EEOC Allowed Claim, and file such forms with the Internal Revenue Service. The Settlement Administrator will withhold all required income and Federal Insurance Contribution Act (FICA) taxes. All employer contributions for FICA and Federal Unemployment Tax Act taxes will be paid from the EEOC Allowed Claim by the Settlement Administrator. The Charging Parties and Eligible Claimants who receive a payment from the EEOC Allowed Claim shall be exclusively liable for the payment of all federal and state taxes due as the result of the money they receive and shall pay such taxes at the time and in the amount required of them.

q. **Returned and/or Uncashed Checks.** If any checks are returned as undeliverable, the Settlement Administrator will attempt to find an updated address and will provide the EEOC with the name, last known address, date of birth, and social security number of the Eligible Claimant. If an updated address can be found, the check will be re-mailed. If an Eligible Claimant fails to present his/her check after ninety (90) calendar days of it being issued, the Settlement Administrator will provide the EEOC with the name, last known address, date of birth, and social security number of the Eligible Claimant. If there are any undistributed monetary amounts from the EEOC Allowed Claim after exhausting these efforts to locate the Eligible Claimants, the remaining amounts shall be paid to one or more charities and/or non-profit organizations mutually agreed to by the Parties.

VI. EQUITABLE RELIEF

1
2 23. Defendants, their supervisors, managers, officers, and corporate
3 successors, shall not engage in any employment practice that discriminates on the basis
4 of disability, including but not limited to failing to provide reasonable accommodations
5 to employees with disabilities in accordance with the ADA.

6 24. Defendants, their supervisors, managers, officers, and corporate successors,
7 shall not engage in retaliation of any kind against any person because of such person's
8 opposition to any practice made unlawful under the ADA. Defendants shall not retaliate
9 against a person because such person brings an internal complaint of discrimination
10 covered by the ADA with the Defendants, because such person files or causes to be filed
11 a charge of discrimination with the Commission or any other agency charged with the
12 investigation of employment discrimination complaints covered by the ADA, or whose
13 statements serve as the basis of a charge, or because such person testifies or participates
14 in the investigation or prosecution of an alleged violation of the ADA, including this
15 investigation, conciliation and litigation.

16 25. In accordance with the ADA, Defendants shall engage in the interactive
17 process with employees who request a reasonable accommodation.

18 26. American and Envoy, as applicable, shall provide each Charging Party and
19 Eligible Claimant with a neutral reference through the Worknumber. The reference will
20 include the dates of service and position held. In order to receive the reference, the
21 Charging Parties and Eligible Claimants must direct prospective employers and others to
22 contact the Worknumber at 1-800-367-2884.

23 27. As soon as practical, but no later than one hundred and eighty (180) days
24 after the Effective Date, Defendants shall remove from all of the Charging Parties', who
25 execute the release, personnel files (a) any and all references to the allegations of
26 discrimination filed against Defendants that formed the basis of this action; and (b) any
27 and all references to each Charging Party's participation in this action. Within one
28 hundred and eighty (180) days of the EEOC's disclosure of eligible claimants to

1 Defendants, Defendants shall remove from all of the Eligible Claimants' (who executed
2 the release) personnel files (a) any and all references to the allegations of discrimination
3 filed against Defendants that formed the basis of this action; and (b) any and all
4 references to each Eligible Claimant's participation in this action.

5 28. Notice Posting: Within sixty (60) days of the Effective Date, American
6 and Envoy shall each post a notice in each of their respective stations in the form
7 attached as Exhibits D and E, respectively. American and Envoy shall also make the
8 notice available to employees on their respective intranets and, for the two-year period
9 following the Effective Date of this Decree, shall provide a copy of the applicable notice
10 to all employees at the time of hire. American and Envoy shall certify to the EEOC that
11 the respective notices have been posted nationwide within sixty (60) days of the Effective
12 Date.

13 29. Training: Within one hundred and eighty (180) days of the Effective Date,
14 American and Envoy shall each:

- 15 a. Make at least a one (1) hour long computer-based training on the ADA
16 available to their respective employees;
- 17 b. Provide four (4) hours of live nationwide training to all of their respective
18 ADA Coordinators and Human Resources employees who assist their
19 employees with the accommodation process regarding the following topics:
 - 20 i. EEOC's Guidelines on the ADA;
 - 21 ii. Defendants' policies prohibiting disability-based harassment and
22 retaliation;
 - 23 iii. The provisions of this Decree; and
 - 24 iv. Defendants' policies and procedures for providing reasonable
25 accommodation for disabilities, including leave and reassignment.

26 This training shall include, at minimum, (a) discussion of
27 Defendants' policy regarding disability discrimination; (b)
28 description of the types of conduct or policies that constitute

1 discrimination under the ADA; (c) explanation that employees may
2 report suspicions of disability discrimination to their manager or
3 supervisor, or Human Resources, and that a prompt investigation
4 will follow; (d) explanation of who is a qualified individual with a
5 disability; (e) explanation of the interactive process; (f) explanation
6 of what reasonable accommodations are, including leave and
7 reassignment; (g) explanation of the process for employees to
8 request reasonable accommodation; (h) explanation that
9 reassignment and transfers may constitute reasonable
10 accommodations and the process for seeking such accommodations;
11 (i) explanation that a reasonable accommodation request can be
12 made to Human Resources, or the employee's supervisor or
13 manager(s) orally or in writing and can be made without using any
14 buzzwords, including the words "reasonable accommodation"; and
15 (j) emphasis that Defendants will work in good faith to arrive at an
16 effective reasonable accommodation for an employee who has a
17 disability.

18 c. Defendants shall bear the cost of the training detailed in this Paragraph of
19 the Decree.

20 d. Defendant will provide the training in Paragraph 29.b. annually for the
21 duration of the Decree.

22 **VII. ADA COORDINATOR**

23 30. Within sixty (60) days of the Effective Date, and for the duration of this
24 Decree, American and Envoy shall each identify an employee whose responsibilities
25 shall include that of ADA Coordinator as described below. Such person shall have
26 expertise in the ADA, EEO compliance, human resources, and personnel matters.

27 31. American and Envoy will ensure that their respective ADA Coordinator has
28 adequate staff to accomplish all of his or her responsibilities.

- 1 32. The ADA Coordinator at American and Envoy, or his/her designee, shall
2 be responsible for the following with respect to the ADA at each respective carrier:
- 3 a. Assisting human resource, supervisory, and managerial employees with their
4 ADA responsibilities;
 - 5 b. Assisting human resource, supervisory, and managerial employees with
6 remaining in full compliance with this Decree;
 - 7 c. Assisting with creating, revising, and/or implementing ADA-compliant
8 procedures;
 - 9 d. Assisting with reviewing, revising, and republishing job descriptions to ensure
10 that marginal job duties are not listed as essential job functions in job
11 descriptions;
 - 12 e. Assisting with creating and implementing the ADA training required under
13 Paragraph 29 of this Decree;
 - 14 f. Assisting in ensuring that any medical inquiries and requirements for any
15 medical exams are in accordance with the ADA;
 - 16 g. Providing advice about ways to better achieve full compliance with the ADA;
 - 17 h. Evaluating whether any changes to Defendants' policies and procedures
18 adequately protect employees with a disability from disability discrimination,
19 harassment, or retaliation; and
 - 20 i. Reviewing all cases in which an American or Envoy employee requests and is
21 denied a reasonable accommodation in his/her current position, or is on a leave
22 of absence as a reasonable accommodation, and that leave of absence extends
23 beyond 100 days. If the ADA Coordinator determines a reasonable
24 accommodation is available to the employee in his/her current position, then
25 the ADA Coordinator will instruct the appropriate American or Envoy
26 personnel to provide the reasonable accommodation as soon as practical after
27 making the determination.
 - 28 j. In situations where the employee cannot be accommodated in the employee's

1 current position, reviewing all cases in which an American or Envoy employee
2 makes a written request for reassignment to a vacant position before
3 commencing a paid/unpaid sick leave of absence, and the request is denied. If
4 the ADA Coordinator determines that the employee should have been
5 reassigned to the vacant position, then the ADA Coordinator will instruct the
6 appropriate American or Envoy personnel to provide the reassignment as soon
7 as practical after making the determination.

8 **VIII. EMPLOYMENT POLICIES AND PRACTICES**

9 33. Unless required by law or regulation, Defendants agree not to adopt or
10 enforce a policy and/or practice that:

- 11 a. Prohibits employees from continuing to work, or returning to work, solely
12 because the employee has medical restrictions;
- 13 b. Places restrictions on employees more restrictive than those proposed by the
14 employee's personal physician, unless the employee has had more restrictive
15 restrictions assigned to him or her by an Independent Medical Examiner, or
16 Defendants reasonably believe the employee poses a direct threat and has done
17 a direct threat assessment;
- 18 c. Discriminates against individuals who are disabled under the ADA with
19 respect to the hiring, transfer, promotion, or any other terms and conditions of
20 employment;
- 21 d. Restricts employees with medical restrictions and/or out on leave for medical
22 reasons from transferring to another position within the employing entity
23 solely based on the employee's medical restrictions and/or leave status,
24 provided the employee can perform the essential functions of the position, with
25 or without a reasonable accommodation, subject to any seniority provisions in
26 applicable collective bargaining agreements;
- 27 e. Restricts employees with medical restrictions and/or who are out on a medical
28 leave from applying for a promotion or obtaining a promotion solely because

- 1 such employee has medical restrictions or is out on a medical leave;
- 2 f. Makes inquiries relating to employees' medical history and/or medical
- 3 conditions unless such inquiries are permissible under the ADA;
- 4 g. Retaliates against employees who engage in protected activities under the
- 5 ADA;
- 6 h. Classifies, segregates, limits, or otherwise hinders any employee's and/or
- 7 applicant's ability to fully exercise his or her rights under the ADA;
- 8 i. Limits, restricts, or interferes with the ability of any employee with a disability
- 9 to be reassigned to a suitable, equivalent position for which the employee is
- 10 qualified based solely on an employee's disability;
- 11 j. Requires disabled employees to compete with non-disabled employees for
- 12 equivalent or lower positions when reassignment to an equivalent or lower
- 13 position would serve as an accommodation of last resort under the ADA;
- 14 k. Requires disabled employees to list any specific individual as their supervisor
- 15 when exploring reassignment as a possible reasonable accommodation, but
- 16 instead, allows disabled employees to list their actual supervisor; or
- 17 l. Interferes with the ADA rights of its employees, including but not limited to an
- 18 employee's right to a reasonable accommodation and to be free of retaliation.

19 34. Within one hundred and twenty (120) days of the Effective Date, and to the

20 extent not already accomplished, Defendants agree to adopt a policy and/or practice to:

- 21 a. Assist disabled employees with the reassignment process when disabled
- 22 employees are exploring reassignment as a possible reasonable
- 23 accommodation; and
- 24 b. Differentiate between essential and marginal job functions when determining
- 25 whether a reasonable accommodation can be made for an individual with a
- 26 disability.

27 35. **Job Descriptions:** Within one-hundred and twenty (120) days of the

28 Effective Date, Defendants shall revise their respective job descriptions to include a

1 statement indicating that reasonable accommodations may be made for qualifying
2 individuals with disabilities. As soon as practical but no later than twenty (20) months
3 from the Effective Date, Defendants shall also analyze their respective job descriptions,
4 and, if necessary, revise any job descriptions accurately to reflect essential job functions.
5 Defendants shall identify which job functions listed on the job descriptions are essential,
6 rather than marginal functions, and shall ensure that all listed qualifications are, in fact,
7 job related, and consistent with business necessity. Upon completion, Defendants will
8 provide the EEOC copies of all of its revised job descriptions.

9 **36. Reasonable Accommodation Procedures:** Within one-hundred and
10 twenty (120) days of the Effective Date, American and Envoy shall assign responsibility
11 for the reasonable accommodation process to employees in their respective Human
12 Resources Departments, who shall work with the respective ADA Coordinators to ensure
13 that disabled employees are provided with reasonable accommodations in accordance
14 with the provisions of the ADA.

15 **37. Collective Bargaining Agreements:** Nothing in this Decree shall be
16 construed to impose obligations on American or Envoy that are inconsistent with the
17 Supreme Court's ruling in *US Airways, Inc. v. Barnett*, 535 U.S. 391, 404 (2002)
18 regarding Collective Bargaining Agreements.

19 **IX. REPORTING**

20 **38.** Throughout the duration of the injunctive relief provisions applicable to
21 Defendants in this Decree, Defendants shall keep, maintain, and safeguard the following:
22 (a) their employees' personnel files; (b) all records of employee complaints of disability
23 discrimination and/or retaliation; (c) all records pertaining to investigations of alleged
24 disability discrimination and/or retaliation, including but not limited to witness
25 statements, documents compiled, conclusions and findings, and any corrective or
26 remedial actions taken; and (d) records evidencing employee requests for reasonable
27 accommodations ("Request Records") and the results of those requests ("Results
28 Records"), including such records created or held by Defendants respective ADA

1 Coordinators.

- 2 a. Within seventy-five (75) days of the Effective Date, Defendants shall certify to
3 the EEOC that they have complied with Paragraph 27's removal requirements;
- 4 b. Within sixty (60) days of the Effective Date, Defendants shall certify to the
5 EEOC that the notice posting requirement of Paragraph 28 has been met;
- 6 c. Defendants shall certify to the EEOC within thirty (30) calendar days of the
7 completion of the live training for the ADA Coordinator and Human
8 Resources employees, indicating the training was conducted, location of the
9 training, and a list of all attendees by name and job title;
- 10 d. Defendant shall certify to the EEOC within two-hundred and seventy (270)
11 days of the Effective Date that it has made the one (1) hour of computer based
12 training available to its employees.
- 13 e. Within seventy-five (75) days of the Effective Date, Defendants shall provide
14 the EEOC with the name, job title, and list of job duties of the person appointed
15 to the ADA Coordinator positions under Paragraph 30 of the Decree;
- 16 f. Upon completion, Defendants shall provide the EEOC copies of all job
17 descriptions revised pursuant to Paragraph 35 of the Decree.
- 18 g. Beginning one-hundred and eighty (180) days after the Effective Date, and
19 continuing every six (6) months for the duration of the injunctive relief
20 provisions applicable to Defendants in this Decree, American and Envoy shall
21 provide the EEOC their respective Request Records and Results Records.
- 22 h. Within thirty (30) days of the Effective Date, Defendants shall provide the
23 EEOC copies of all ADA policies that conform to the requirements of
24 Paragraphs 33 and 34. If Defendants make any revisions to their ADA policies
25 during the term of this Decree, Defendants shall provide the EEOC copies of all
26 such revised ADA policies within thirty (30) days of the revisions.

27 **X. ENFORCEMENT, EXPIRATION, AND COSTS/FEEES ASSOCIATED WITH**
28 **THE DECREE**

1 39. There is no private right of action to enforce Defendants' obligations under
2 the Decree and only the Commission may enforce compliance.

3 40. Absent extension, this Decree shall expire by its own terms at the end of two
4 (2) years from the Effective Date without further action by the Parties.

5 **XI. NOTICE AND SIGNATURES**

6 41. **Notice:** Defendants shall direct any and all correspondence, notice, or
7 reporting it is required to provide the EEOC pursuant to this Decree to the Phoenix
8 District Office of the Equal Employment Opportunity Commission, Attention: Regional
9 Attorney, 3300 N. Central Avenue Suite 690, Phoenix, AZ 85012. The EEOC shall
10 direct all notices relating to this Decree regarding American to Karen Gillen, Associate
11 General Counsel, American Airlines, Inc. at karen.gillen@aa.com and 4333 Amon Carter
12 Boulevard, Fort Worth, TX. The EEOC shall direct all notices relating to this Decree
13 regarding Envoy to Chris Pappaioanou, Vice President -- Legal, Labor, and Employment,
14 Envoy Air Inc. at chris.pappaioanou@aa.com and 4301 Regent Blvd., Irving, Texas
15 75063.

16 42. The Parties agree to the entry of this Decree subject to final approval by
17 this Court and the Bankruptcy Court.

18 **SO ORDERED** this ____ day of _____, 2018.

19 **BY THE COURT:**

20 _____
21 United States District Judge

22
23 **BY CONSENT:**

24 EQUAL EMPLOYMENT
25 OPPORTUNITY COMMISSION

26 By: Mary Jo O'Neill
27 Mary Jo O'Neill
28 Regional Attorney

AMERICAN AIRLINES, INC.

By: Karen Gillen
Karen Gillen
Associate General Counsel
American Airlines, Inc.

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Date: _____

Date: _____

ENVOY AIR INC.

By: _____

Chris Pappaioanou
Vice President - Legal, Labor, and
Employment, Envoy Air Inc.

Date: _____

APPROVED AS TO FORM:



Michael Baskind
Trial Attorney
EEOC Phoenix District Office
3300 N. Central Ave., Suite 690
Phoenix, Arizona 85012
Telephone: (602) 640-5003

O'Melveny & Myers LLP
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Attorney for Plaintiff EEOC

Attorneys for Defendants
American Airlines, Inc. and Envoy Air
Inc.

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Date: _____

Date: _____

ENVOY AIR INC.

By:  _____

Chris Pappaioanou
Vice President - Legal, Labor, and
Employment, Envoy Air Inc.

Date: 3/15/18

APPROVED AS TO FORM:

Michael Baskind

Michael Baskind
Trial Attorney
EEOC Phoenix District Office
3300 N. Central Ave., Suite 690
Phoenix, Arizona 85012
Telephone: (602) 640-5003

Attorney for Plaintiff EEOC

O'Melveny & Myers LLP
Mark W. Robertson
Kelly Wood
Times Square Tower
7 Times Square
New York, New York 10036
Telephone: (212) 430-6000

Attorneys for Defendants
American Airlines, Inc. and Envoy Air
Inc.

EXHIBIT A

RELEASE AGREEMENT

In consideration for the \$[_____] paid to me in connection with the resolution of EEOC v. American Airlines, Inc. and Envoy Air Inc., Case Number [____] (the “Lawsuit”), I hereby release and discharge [American Airlines, Inc. or Envoy Air Inc.], and its officers, managers, directors, employees, and agents as well as its parent corporations and subsidiaries from any and all claims of disability discrimination, retaliation, or failure to accommodate that were asserted or could have been asserted against [American Airlines, Inc. or Envoy Air Inc.] as of the date of this Release Agreement arising under the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*, including those claims that were asserted in the Lawsuit, and any potential claim based on the EEOC’s determination letters, as defined in Paragraph 14 of the Consent Decree entered in the Lawsuit (the “Determination Letters”), or claims under the Americans with Disabilities Act based on any act or omission of [American Airlines, Inc. or Envoy Air Inc.] occurring prior to the date of this Release Agreement arising from the alleged improper policies or practices identified in the EEOC’s Determination Letters and Complaint in this case.

I warrant that this Release Agreement is freely executed in return for the consideration set forth above, and that I am legally competent to execute this Release Agreement and accept full responsibility for it. I understand that this Release Agreement

is given in compromise of a disputed claim, and is therefore not to be construed as an admission of liability on the part of [American Airlines, Inc. or Envoy Air Inc.]

Date: _____

Signature: _____

Exhibit "B"

In re AMR Corporation, et al.
Case No. 11-15463 (SHL), Jointly Administered

Note: Claimants are listed alphabetically.

SEQ NO.	CLAIM(S) TO BE SETTLED		
	NAME	CLAIM NO.	CLAIM AMOUNT
1	ALVARADO, DARLA 16323 N 168TH AVE SURPRISE, AZ 85388 Date Filed: 02/11/12 Debtor: American Airlines, Inc.	727	Priority: \$10,000.00
2	PETERSON, MICAH ATTN APRIL L HOLLINGSWORTH 1115 S 900 E SALT LAKE CITY, UT 84105 Date Filed: 07/16/12 Debtor: American Airlines, Inc.	10774	Priority: \$12,428.50 Unsecured: \$27,571.50
3	REDD, SHERRIE 561 E 42ND PL N TULSA, OK 74106 Date Filed: 07/12/12 Debtor: American Airlines, Inc.	7355	503(b)(9): \$0.00 Admin: \$0.00 Secured: \$0.00 Priority: \$0.00 Unsecured: \$0.00
4	US EQUAL EMPLOYMENT OPPORTUNITY COMMISSION ATTN NANCY GRIFFITHS 3300 N CENTRAL AVE STE 690 PHOENIX, AZ 85012 Date Filed: 07/14/12 Debtor: American Airlines, Inc.	9676	Priority: Unliquidated

EXHIBIT C

EEOC V. AMERICAN AIRLINES, INC. AND ENVOY AIR INC. SETTLEMENT ADMINISTRATOR
C/O [NAME OF SETTLEMENT COMPANY]
ADDRESS
CITY/STATE//ZIP

PAI NAME
ADDRESS
CITY STATE ZIP

Claimant ID Number: <<Claimant ID>>

<<Date Mailed>>

NOTICE OF SETTLEMENT

Re: EEOC v. American Airlines, Inc. and Envoy Air Inc.

Dear <<Claimant Name>>:

On [Input Date], the United States District Court for District of Arizona approved a Consent Decree between the Equal Employment Opportunity Commission ("EEOC") and American Airlines, Inc. and Envoy Air Inc. The Consent Decree resolves a lawsuit filed by EEOC which alleged that American and Envoy violated the Americans with Disabilities Act ("ADA"). The Consent Decree provides for monetary and non-monetary relief.

You have been identified by American and/or Envoy as an individual who went through the Medical Review Board and/or Accommodation Review Board and/or requested a reasonable accommodation during the period of January 1, 2009, through August 3, 2015. Accordingly, if you believe that American or Envoy violated your ADA rights in a manner covered by the EEOC's lawsuit, you may participate in the EEOC's claims process and may be entitled to receive monetary compensation.

If you wish to participate in the claims process, you must complete and submit a claim form by no later than [Input Date]. You are encouraged to submit your claim online at www.EEOCAmericanSettlement.com. To do so, you will need to enter your claimant ID number listed above and the last four digits of your Social Security number. Please print a copy of the claim form you submit for your own records. If you prefer, you may mail your claim form in the enclosed return envelope. We urge you, however, to use a delivery method which verifies date of delivery (e.g. Registered or Certified mail). EEOC, American, Envoy, and the Settlement Administrator are not responsible for lost or delayed mail. If you talked to an EEOC Representative and/or submitted documentation during EEOC's investigation sometime in 2013 to 2015, you must still complete this claim form in order to be considered for monetary relief. If you fail to respond to any question in the claim form, your request to participate may be denied. If you fail to timely submit a claim form, you will not be eligible to participate in this claims process.

Any questions concerning this claims process should be directed to 1-XXX-XXX-XXXX. You may also visit www.EEOCAmericanSettlement.com for additional information.

Sincerely,

EEOC v. American Airlines, Inc. and Envoy Air Inc. Settlement Administrator

FREQUENTLY ASKED QUESTIONS CONCERNING EEOC'S CLAIMS PROCESS

Who may participate in the claims process?

The claims process is limited solely to former/current American and Envoy employees who believe they were discriminated and/or retaliated against in violation of the Americans with Disabilities by American or Envoy during the period January 1, 2009, through August 3, 2015.

I am a current American or Envoy employee. May I participate in the claims process?

Yes. Current American or Envoy employees can participate in the claims process.

I am a former management employee. May I participate in the claims process?

Yes. Former management employees of American or Envoy can participate in the claims process.

I received a Charging Party Notice of Monetary Award. May I participate in the claims process as well?

No. Charging Parties who are afforded monetary relief already under the Consent Decree may not also participate in the claims process because EEOC has already determined their monetary relief.

I previously was interviewed by an EEOC representative regarding this issue sometime between 2013 - 2015. Do I still have to submit a new claim form?

Yes. If you talked to an EEOC representative and/or submitted any documentation during EEOC's investigation between 2013 – 2015, you must still complete a claim form in order to be considered for monetary relief.

How do I submit a claim?

You are encouraged to submit your claim online at www.EEOCAmericanSettlement.com. To do so, you will need to enter your claimant ID number and the last four digits of your Social Security number [Or Date of Birth]. Please keep a printed copy of the claim form you submit. If you prefer, you may submit your claim form by mail to the EEOC v. American Airlines, Inc. and Envoy Air Inc. Settlement Administrator, [Input Mailing Address]. We urge you, however, to use a delivery method which verifies date of delivery (e.g. Registered or Certified mail). EEOC, American, Envoy, and the Settlement Administrator are not responsible for lost or delayed mail.

Must I have supporting documentation to submit a claim?

While supporting documentation may be helpful to substantiate your claim, it is not required.

When must I submit my claim?

You must submit your claim by no later than [Input Date].

Who will determine whether I am eligible to participate in the claims process and, if so, what monetary amount I will be awarded?

EEOC has the sole authority to determine whether you are entitled to relief and the monetary amount to be awarded.

Can I appeal EEOC's determination?

Yes. You can appeal the EEOC's determination to the Regional Attorney, Mary O'Neill, EEOC, 3300 N. Central Ave., Suite 690, Phoenix, AZ 85012

When will I know if my claim has been accepted and how much money I might receive?

You should anticipate receiving a Claimant Notice of Determination from the Settlement Administrator by [Input Date].

What if my address or phone number changes after I submit my claim?

You should inform the Settlement Administrator at 1-XXX-XXX-XXXX of any changes in address or telephone numbers.

If I have additional questions, who should I contact?

You may call the Settlement Administrator at 1-xxx-xxx-xxxx. You may also visit www.EEOCAmericanSettlement.com for additional information. You should not contact the EEOC or American directly concerning the claims process or the status of your claim.

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Exhibit D

NOTICE

American respects the right of its team members and applicants for employment to work in an environment free from disability discrimination and retaliation. Accordingly, American reaffirms its commitment to complying with the Americans with Disabilities Act (“ADA”), in that it is our policy to prohibit all disability discrimination and/or retaliation and to provide reasonable accommodations in accordance with the ADA.

Pursuant to the ADA, it is unlawful for an employer to discriminate based upon the disability of an applicant or employee. It is also unlawful for an employer to refuse to provide reasonable accommodations to employees unless there would be an undue hardship. Further, it is unlawful for any employer to retaliate against an employee because he or she has requested a reasonable accommodation for a disability, opposed discriminatory employment practices, or because he or she has filed a charge of discrimination with any municipal, state or federal equal employment opportunity agency, or because he or she has participated in an investigation of a charge of discrimination.

American is committed to engaging in the interactive process with team members in order to provide reasonable accommodations in accordance with the ADA. If you have questions about reasonable accommodations, you can contact your Human Resources Business Partner.

It is also important that our team members know that if they believe they have been discriminated against on the basis of disability or retaliated against, they have the right to contact the EEOC directly at 1-800-669-4000. In compliance with federal law, no official at American will retaliate against a team member who makes an internal complaint of discrimination or who contacts the EEOC or its state counterpart. To make an internal complaint of discrimination, the team member should contact his or her HRBP or the EthicsPoint Helpline at 1-877-422-3844.

American Airlines, Inc.

By: _____ Date _____

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Exhibit E
NOTICE

Envoy respects the right of its team members and applicants for employment to work in an environment free from disability discrimination and retaliation. Accordingly, Envoy reaffirms its commitment to complying with the Americans with Disabilities Act (“ADA”), in that it is our policy to prohibit all disability discrimination and/or retaliation and to provide reasonable accommodations in accordance with the ADA.

Pursuant to the ADA, it is unlawful for an employer to discriminate based upon the disability of an applicant or employee. It is also unlawful for an employer to refuse to provide reasonable accommodations to employees unless there would be an undue hardship. Further, it is unlawful for any employer to retaliate against an employee because he or she has requested a reasonable accommodation for a disability, opposed discriminatory employment practices, or because he or she has filed a charge of discrimination with any municipal, state or federal equal employment opportunity agency, or because he or she has participated in an investigation of a charge of discrimination.

Envoy is committed to engaging in the interactive process with team members in order to provide reasonable accommodations in accordance with the ADA. If you have questions about reasonable accommodations, you can contact your Human Resources Business Partner.

It is also important that our team members know that if they believe they have been discriminated against on the basis of disability or retaliated against, they have the right to contact the EEOC directly at 1-800-669-4000. In compliance with federal law, no official at Envoy will retaliate against a team member who makes an internal complaint of discrimination or who contacts the EEOC or its state counterpart. To make an internal complaint of discrimination, the team member should contact his or her HRBP or the EthicsPoint Helpline at 1-877-422-3844.

Envoy Air Inc.

By: _____ Date _____

Exhibit 3

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re : Chapter 11 Case No.
AMR CORPORATION, *et al.*, : 11-15463 (SHL)
Debtors. : (Jointly Administered)
-----X

**ORDER PURSUANT TO
FED. R. BANKR. P. 9019(a) APPROVING SETTLEMENT
AGREEMENT RESOLVING CERTAIN PENDING EEOC LITIGATION**

Upon the motion, dated December 15, 2017 (the “**Motion**”),¹ of AMR Corporation and its related debtors, as debtors and reorganized debtors (collectively, the “**Debtors**”), pursuant to Rule 9019(a) of the Federal Rules of Bankruptcy (the “**Bankruptcy Rules**”) for entry of an order approving the Consent Decree, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion (the “**Hearing**”); and the Court stating at the Hearing that revisions needed to be made to the Consent Decree; and revisions having been made and the revised consent decree (the “**Amended Consent Decree**”) served upon those parties who objected to the Motion; and upon the record of

¹ Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

the Hearing and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that, pursuant to Bankruptcy Rule 9019(a), the Amended Consent Decree in the form submitted to me on March 20, 2018 is approved in its entirety; and it is further

ORDERED that, in accordance with, and pursuant to, the terms of the Amended Consent Decree, Plaintiffs shall hold an Allowed American Class 5- American Other General Unsecured Claim in the amount set forth in the Amended Consent Decree; and it is further

ORDERED that the claims agent is authorized to update the claims register in accordance with this Order and the Amended Consent Decree; and it is further

ORDERED that the Debtors are authorized to take any actions as are necessary or appropriate to implement and effectuate the terms of this Order; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
_____, 2017

United States Bankruptcy Judge