

January 2, 2018

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Captain Greg Smith
American Airlines Director of Flight - LAX
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Re: Length of Service Credit LOA 18-001

Dear Captain Smith:

I am writing to you in response to the letter Captain Stone recently sent to Dan Carey, President of the Allied Pilots Association offering to benefit select groups of pilots by artificially increasing their pay longevity and vacation accrual. The reason stated by Captain Stone is that these pilots were furloughed after the events of September 11, 2001.

Unfortunately, but not unknowingly, the pilots that will not have their pay longevity and vacation accrual adjusted are also an easily defined pilot group. They are the former American Eagle pilots who transferred to American Airlines, under the terms of Supplement W to the AA/APA Collective Bargaining Agreement. Pilots who for decades flew in support of the American Airlines Group of Companies and are commonly called the American Airlines Flow-Through pilots as opposed to the TWA LLC pilots or the US Airways pilots.

I feel it is imperative to bring to your attention the damaging inversion of seniority based compensation this mid-term change to the Collective Bargaining Agreement will cause if changes to pay longevity and vacation accrual are not administered equally and without discrimination.

- Senior Flow-Through pilots are on the eleventh (11th) year pay longevity step currently:

These Flow-Through pilots will be paid less than pilots who never actually flew at American Airlines before 2013. There are four thousand (4000) pilots with seniority numbers junior to the Flow-Through pilots who will be paid at the twelfth (12th) pay longevity step.

- Mid-seniority Flow-Through pilots are on the ninth (9th) year pay longevity step currently:

They will be paid less than pilots who are fifteen hundred (1500) seniority numbers junior to them who will be paid at the twelfth (12th) year longevity step.

- Junior Flow-Through pilots who are senior by more than two hundred and fifty (250) numbers to the pilots who are to benefit by this mid-term non-negotiated change are currently paid at the fourth (4th) year longevity step:
If LOA18-001 is implemented, pilots with similar seniority will be paid unequally - the inequality will be an eight-year pay longevity step difference - for pilots of equal seniority.

It is inexplicable why management would promote this untenable situation and the destruction of commonly accepted negotiated seniority rules as found in the AA/APA Collective Bargaining Agreement Section 13.D.

On examining Captain Stone's letter it is evident that the following pilots will have their pay longevity and vacation accrual enhanced, but thirty (30) year AAG Flow-Through pilots will be denied any benefit or longevity pay enhancement:

- TWA LLC pilots who never flew for AAG and were furloughed directly from TWA LLC,
- TWA LLC pilots who were released from TWA LLC and were employed by American Eagle Airlines before ever attending a pilot training class at AA,
- American Airlines' pilots who voluntarily requested furlough to pursue other interests and careers including working at other airlines,
- US Airways pilots who were furloughed from US Airways and not from American Airlines, and who never flew for American Airlines, and who were recalled to US Airways prior to the merger with American Airlines. Their entire furlough was as a US Airways pilot.

It is evident that AA and the APA are once again adopting a selective position that purposefully and knowingly excludes, and thereby damages, the former American Eagle pilots who had contractual and arbitral rights to transfer to American Airlines with full seniority as far back as 1999.

A two-year Length of Service (LOS) restoration was included in the last AA/APA Collective Bargaining Agreement under Letter G. The Flow-Through Pilots were excluded from this benefit for the simple and arbitrary reason that APA did not ask for them to be included. The current negotiations to enhance earnings and income should not repeat this kind of arbitrary benefit to some, but not all, of the American Airlines pilots—all of whom suffered career and pay set-backs because of 9/11. For AA to allow the use of an arbitrary distinction to exclude specific employees represents a failure to treat all American Airlines' pilots equally and fairly.

The LOS issue is about restoring career expectations so that pay more closely matches occupational seniority. That is, the pilot who has committed to AA as shown by his/her occupational seniority number is rewarded for that loyalty and

commitment in pay, determined by LOS.

Although the real issue is the restoration of career expectations, what can not be overlooked is that all pilots on the American Airlines Pilot System Seniority List must be treated equally and fairly for morale and employee relations purposes. The American Eagle Flow-Through pilots who waited years to continue their careers at American Airlines after the events of September 11, 2001, are entitled to the same treatment and benefits other pilots and pilot groups receive to make up this loss. The Flow-Through pilots have brought years of service and made years of commitment to careers at AAG that deserve equal recognition.

It is incumbent upon AA, to insure that no policy is put in force that arbitrarily discriminates against one subset of employees, even if those employees are supposed to be properly represented by a union. AA knows that APA has not met its obligations to the Flow-Through Pilots over the years, leaving Flow-Through Pilots behind all other pilot groups in seniority and pay.

If Captain Stone's letter is implemented as written AA will be continuing to allow a permanent subclass of employees, – the Flow-Through Pilots – a de-facto B-Scale group who are arbitrarily and discriminatorily kept on a reduced pay scale, and who are treated as second-class employees who do not deserve the same treatment or career expectations as the pilots from former competitors who are recent additions to the AA pilot group. This has not been fair representation by APA. But, more importantly from AA's perspective, this situation is poor employee relations. AA cannot leave it up to APA to represent the interests of Flow-Through Pilots where APA has abandoned even a pretext of representing their interests.

Respectfully Yours,

First Officer Greg Cordes
AAFTPC

CC: Captain Kimball Stone – AA Vice President Flight
Captain Peter Blandino – AA Chief Pilot LAX
Captain Fane Smith – AA Chief Pilot LAX
Chris Katzenbach – AAFTPC Counsel