

LETTER OF AGREEMENT  
between  
AMERICAN AIRLINES, INC.  
and the  
TRANSPORT WORKERS UNION OF AMERICA, AFL-CIO  
covering  
Flight Crew Training Instructors and Simulator Pilot Instructors

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FCTI and SIMP BONUS PROGRAM

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THIS LETTER OF AGREEMENT (this "Agreement") is made and entered into in accordance with the provisions of the Railway Labor Act, by and between AMERICAN AIRLINES, INC. (the "Company" or "American") and the TRANSPORT WORKERS UNION OF AMERICA, AFL-CIO (the "TWU"), covering Flight Crew Training Instructors ("FCTIs") and Simulator Pilot Instructors ("SimPs"), with the Company and TWU jointly referred to in this Agreement as the "Parties."

The Parties agree as follows:

**A. FCTI and SimP Bonuses:**

1. New Hire FCTIs and SimPs. Eligible FCTIs and SimPs hired under this Agreement shall receive payments as follows:
  - a. New Hire FCTIs shall receive a total Bonus Payment of \$10,000 paid as follows:
    - i. \$5,000 paid as soon as practicable following their date of hire; and
    - ii. \$5,000 paid on the first pay period following 12 months of service with the Company.
  - b. New hire SimPs shall receive a total Bonus Payment of \$20,000 paid as follows:
    - i. \$10,000 paid as soon as practicable following their date of hire; and
    - ii. \$10,000 paid on the first pay period following 12 months of service with the Company.

- c. New hire SimPs who retired from the Company as active Check Airmen and who are current and qualified on the fleet of hire on their hire date, shall receive a \$10,000 Bonus Payment, in addition to the payment set forth above in Paragraph 1(b), paid as soon as practicable following their date of hire.
- 2. Current FCTIs and SimPs. Eligible FCTIs and SimPs on the American System Seniority List shall receive, on a one-time basis, payments as follows:
  - a. Current FCTIs shall receive a total Bonus Payment of \$10,000 paid as follows:
    - i. \$5,000 paid as soon as practicable following the effective date of this Agreement; and
    - ii. \$5,000 paid on the first pay period following 12 months from the effective date of this Agreement.
  - b. Current SimPs shall receive a total Bonus Payment of \$20,000 paid as follows:
    - i. \$10,000 paid as soon as practicable following the effective date of this Agreement; and
    - ii. \$10,000 paid on the first pay period following 12 months from the effective date of this Agreement.
  - c. To be eligible for a Bonus under Paragraph 2(a) and 2(b), current FCTIs and SimPs must be in an active pay status on or within 30 days of the effective date of this Agreement.
- 3. The payments described above in Section A, Paragraphs 1(a)-(c) and 2(a)-(b) of this Agreement (“Bonus Payments”) are intended to encourage continued employment with the Company. Accordingly, any FCTI or SimP who receives a Bonus Payment, but who then leaves American within 12 months of the payment date for any reason other than employment at American as a SimP or pilot shall be obligated, within 30 days of leaving the Company, to repay the Company on a pro rata basis. The FCTI or SimP will be entitled to retain a pro rata amount of the payment based on the number of complete months they remained employed by American during the 12-month period following the payment.
- 4. All payments under this Agreement are subject to all legally-required withholdings, including for taxes.

**B. New Hire FCTI and SimP Relocation**

FCTIs and SimPs hired during the duration of this Agreement who move at least fifty (50) miles and move to within one hundred (100) miles of their work location/base will be eligible for Company paid moving expenses. The Company will provide eligible new hire FCTIs and SimPs moving expenses equivalent to those afforded Level 3/4 Management.

**C. Overtime Travel Days**

In its discretion, the Company may offer FCTIs and SimPs the option to elect to have their travel days designated as non-work days and have such travel days paid as overtime days. Travel days so designated and paid as overtime days in a bid period will not count towards the FCTI or SimP's designated number of workdays required per month.

Example: For the January bid month, the Company offers the Overtime Travel Days option. A SimP's monthly schedule requirement is 17 workdays. The SimP elects to have his travel days paid as overtime days in January 2022. If the SimP bids two travel days in January 2022, the SimP must bid 17 workdays not including the two travel days.

Travel days paid as overtime days will not affect the Company's ability to require an Instructor to work up to two scheduled days off under Article 6(A) of the 2016 CBA covering FCTIs and SimPs. Travel days paid as overtime days will not be treated as Additional Day(s) for purposes of Article 6 of the CBA.

**D. Duration**

This Agreement shall be effective upon signing and thereafter for a period of six months. In the Company's discretion, and with written advance notice of 15 days to TWU, the Agreement may be extended two times, each time for a period of three months. Under no circumstances, however, will an individual be eligible to receive more than one Bonus under this Agreement (e.g. a new hire FCTI/SimP who received a Bonus under Paragraph A.1 would not be entitled to an additional Bonus under Paragraph A.2 if the Agreement were extended; similarly, a current FCTI/SimP who received a Bonus under Paragraph A.2 would not be entitled to a second Bonus under Paragraph A.2 if the Agreement were extended).

IN WITNESS WHEREOF, the parties have signed this Agreement this 15th day of December, 2021.

FOR THE  
TRANSPORT WORKERS UNION OF  
AMERICA, AFL-CIO



Chris Turner  
President Local 548



Gary Peterson  
International Vice President

FOR THE  
COMPANY



Captain Lori Cline  
Managing Director, Flight Training  
and Standards



Scott Gregory  
Labor Relations