

ASSOCIATION OF PROFESSIONAL FLIGHT
ATTENDANTS-AMERICAN AIRLINES
SYSTEM BOARD OF ADJUSTMENT

In the Matter of the Arbitration

between

ASSOCIATION OF PROFESSIONAL FLIGHT
ATTENDANTS

and

AMERICAN AIRLINES, INC.

OPINION and AWARD
Case #SS-98-2017-APFA-2
(PBS Bidding)

SYSTEM BOARD OF ADJUSTMENT:

Bonnie Siber Weinstock, Neutral Chairperson
Lucretia D. Guia, Esq. - Company Designee
Misty Shafer Sterne - Company Designee
Marcus B. Gluth - Union Designee
Paul C. Hartshorn, Jr. - Union Designee

APPEARANCES:

For the Union: Guerreri, Bartos & Roma, P.C., by
Jeffrey A. Bartos, Esq. and Raziya
Brumfield, Esq. - Counsel
Julie Hedrick - Witness
Randy Trautman - Witness

For the Employer: O'Melveny & Myers LLP, by Robert A.
Siegel, Esq. and Sloane Ackerman,
Esq. - Counsel
Cindi Simone - Witness
Darin Lee, Ph.D. - Witness

The Association of Professional Flight Attendants
("Union" or "APFA") and American Airlines, Inc. ("Employer" or
"Company") are parties to a joint collective bargaining agreement
effective December 13, 2014 ("Agreement" or "JCBA") which
provides for the arbitration of unresolved grievances. Pursuant
to the Agreement, the parties appeared before the undersigned

System Board of Adjustment ("Board") on April 18, 19 and 20, 2018 in Dallas, Texas for a hearing on the grievances described below. The hearing was transcribed.¹ The parties had full and fair opportunity to present evidence and argument, to engage in the examination and cross-examination of sworn (or affirmed) witnesses, and otherwise to support their respective positions. The record was declared closed upon the Board's receipt of the transcript of hearing. Thereafter, the Board conferred in Executive Sessions with a goal of expediting this Opinion and Award, as the parties requested. The Opinion herein is that of the Neutral Chairperson of the Board and does not purport to state the views of the party-designated Members of the Board, whether or not they concur in the Award herein.

ISSUES

At the hearing on April 19, 2018, the parties agreed to submit the following issues for arbitration with respect to the grievance filed by the Union (T:8-10; J-6):

- (1) Whether Section 10(C)(6) of the JCBA requires the Company to publish the official PBS awards on the eighteenth day of the calendar month prior to the subsequent bid period?

¹References to the transcribed record of hearing appear herein as "T:--". Joint exhibits are cited as "J--", Company proffered documents are labeled "C--" and Union sponsored documents are denominated "U--."

(2) Whether Sections 10(E)(2)(e) and 10(G)(2)(c) require the Company to limit to 48 hours while PBS is processing the period during which a Flight Attendant cannot pick up, drop or trade a trip that touches the last six days of the bid period? If so, what shall be the remedy?

The Company also filed a grievance (J-7) which, as discussed below, the Board agreed to consolidate in this proceeding. The parties were unable to agree upon the framing of that issue, but did consent to allow the Board to frame the issue. (T:11-13). Upon consideration of the arguments of the parties, the Board finds the third issue in this proceeding to be:

Did APFA violate Section 10 of the JCBA with respect to its participation in discussions at JSIC concerning the mention of a 48 hour period for certain events in the bidding process? If so, what shall be the remedy?

RELEVANT PROVISIONS OF THE JCBA

SECTION 10 - SCHEDULING

C. MONTHLY BIDDING INFORMATION AND BID PROCESS

6. The monthly bid shall be processed according to the following schedule:

<u>Process</u>	<u>Deadline</u>
PBS Bidding Opens for new Month	10 th day of contractual month prior to bid period at 0900 DFW ²

² Julie Hedrick testified that these 0900 times were changed to 1200 (DFW time) by virtue of a Letter of Agreement. (T:99-100).

PBS Bidding Closes

16th day of contractual
month prior to bid period
at 0900 DFW

PBS Award Official Publication

18th day of contractual
month prior to bid period
at 0900 DFW

D. PREFERENTIAL BID SYSTEM (PBS)

1. Flight Attendants shall use a Preferential Bidding System to construct Lineholder and Reserve lines of flying. In the event that the Company desires to change PBS vendors, vendor selection shall be made by mutual agreement of the parties.

2. A Joint Scheduling Implementation Committee (JSIC) shall be established upon ratification of this Agreement. Implementation and development of the PBS system, TTS, and implementation of Scheduling, Reserve and related sections shall be overseen by the JSIC.

a. The JSIC shall consist of three (3) Company members and three (3) Union members. ...the JSIC shall continue to meet to resolve any outstanding issues related to implementation of PBS and members shall be released with pay on an as needed basis....

c. In the event a dispute arises as to whether PBS testing provides awards consistent with the Agreement, such dispute will be expedited to arbitration for resolution. PBS may be implemented by the Company without delay and the arbitrator will have authority to require prospective corrections necessary to provide awards consistent with the Agreement. The affected Flight Attendant will be made whole for contractual violations associated with the implementation of PBS which resulted in lost compensation the Flight Attendant normally would have earned without the error. The Arbitrator will have no authority to order the Company to cease utilizing PBS or otherwise delay or complete implementation. Additionally, the Company will be allowed continued use of the existing system until

any required arbitrator changes can be implemented. The Company however, will implement any programming and/or administrative changes required in the award as soon as practicable and will not unreasonably delay the implementation of any required modifications. The hearing shall be conducted expeditiously and a decision will be rendered within sixty (60) days from the date a panel is requested, unless mutually agreed otherwise.

3. All PBS algorithms, parameters, logic, bidding options, interface, PBS versions, etc., must be mutually agreed upon and shall not be changed without mutual agreement. No part of the PBS software or equipment shall be substituted, altered, or modified without the prior written consent of the Union.

E. LINEHOLDER TRIP TRADE SYSTEM (TTS)

2. TTS Process Timeline

e. In order to avoid transition conflicts, for a period not to exceed forty-eight (48) hours while PBS is processing, a Lineholder shall not be able to pick up, drop or trade trip through TTS that touches the last six (6) days of the bid period.

G. ELECTRONIC TRADE BOARD (ETB)

2. General Use of the ETB

c. In order to avoid transition conflicts, for a period not to exceed forty-eight (48) hours while PBS is processing, a Flight Attendant shall not be able to pick up, drop or trade a trip that touches the last six (6) days of the bid period.

*Dates and times cited in Section 10 are subject to revision based on recommendation by the JSIC.
(Emphasis supplied)

DISCUSSION

The Board first addresses the Company's Motion for Consolidation. The instant grievance filed by the Union pertains to bidding under the Preferential Bidding System ("PBS"). Specifically, the Union's grievance (J-3) states, in pertinent part:

[The Union] hereby protest[s] the Company's violation of Sections 10.C.6, 10.E.2.e and 10.G.2.c, and any related sections of the JCBA, as it pertains to the Company's plan to publish the official PBS awards later than the established contractual guidelines.

According to Section 10.C.6. of the JCBA:

PBS bidding shall close no later than the 16th day of the contractual month prior to the subsequent bid period at 0900 DFW. And the official PBS awards shall be published no later than the 18th day of the contractual month prior to the subsequent bid period at 0900 DFW.

Sections 10.E.2.e and 10.G.2.c. provide in material part:

In order to avoid transition conflicts, for a period not to exceed forty-eight (48) hours while PBS is processing, a Flight Attendant shall not be able to pick up, drop or trade a trip that touches the last six (6) days of the bid period.

The Company has announced that it will unilaterally change the number of hours between the close of bidding and the official publication of the PBS awards from 48 hours to as many as 120 hours. The Company's plan to override the express terms of the JCBA will cause significant hardship and erosion of quality of work life for our Flight Attendants.

The Company filed a grievance which states (J-7):

Is APFA violating Section 10 of the JCBA, and the implied covenant of good faith and fair dealing, by interfering with the Joint Scheduling Implementation Committee's ("JSIC") mandate to resolve issues related

to the development and implementation of the Preferential Bid System ("PBS") for Flight Attendants?

In advance of the hearing, the Company filed a Motion to Consolidate the grievance (C-A) it filed regarding the operation of the Joint Scheduling Implementation Committee ("JSIC"), an entity which, as described more fully below, was created by the parties when they negotiated the JCBA. The Union opposed consolidation of the grievance for hearing. The Board advised the parties at the hearing that it would grant the Motion to Consolidate and would state its reasons in the Opinion and Award. (T:18). We now do so.

A majority of the Board finds that while the issues raised in the Union's grievance and the Company's grievance are not identical, they do involve the interpretation and application of the same provisions of the JCBA and, in any event, the issues raised in the Company's grievance would be presented in the Company's response to the Union's grievance by way of the Company's defenses. Accordingly, a majority of the Board finds that in the interest of arbitral economy and avoiding inconsistent awards, it is proper to consolidate these grievances for hearing.

Turning to the merits of each grievance, some background is necessary. For decades, the Company created lines of flying and Flight Attendants bid for those lines. In the JCBA, the parties negotiated that the Company would transition to

a system called Preferential Bidding, in which each Flight Attendant indicated which specific trips s/he wanted to fly, and was able to rank order his/her preferences. Thus, instead of bidding on a line or grouping of flights, the Flight Attendant was able to indicate specific trips as preferences.

The JCBA contains detailed timelines for all steps in the bidding process, including notification of the bid awards. As part of the timeline, the Company was to post the bid awards on the eighteenth day of the month which was 48 hours after the bidding process closed. (JCBA Section 10(C)(6)). The JCBA also provided for a period of 48 hours while the bids were being processed during which time Flight Attendants were precluded from adding, dropping or trading trips that touch the last six days of the month. (Sections 10(E)(2)(e) and 10(G)(2)(c)).

The Union insists that if the Company were allowed to increase to 120 hours the processing time during which no add/drop/trade can occur (referred to herein as the "mid-month freeze"), then Flight Attendants are severely impacted in the available days on which they have the ability to modify their schedules as personal matters may require them to. Similarly, the existence of six frozen days at the end of the month (referred to herein as the "end of the month freeze") dramatically impacts a Flight Attendant's flexibility in scheduling. The Union therefore urges that these 48 hour periods named in the JCBA should be strictly enforced as written, as the contract is

clear and unambiguous. The Union asks that the Board direct the Company to comply with the 48 hour provisions of the JCBA.

(T:27). With respect to the Company's grievance, the Union insists that it has fully complied with its obligations to participate in JSIC discussions, and it asks that the Company's grievance be denied. (T:27-29).

By contrast, with respect to the Union's grievance, the Company argues that the parties placed the 48 hour time periods in the JCBA as "placeholders" while the parties continued to discuss these issues, because at the time the JCBA was executed in 2014, the parties had no experience with PBS and had no realistic idea how long the processing periods would be. (T:29-30). The parties then agreed upon the following additional language at the end of Section 10: "Dates and times cited in Section 10 are subject to revision based on recommendation by JSIC." (T:37-38). The Company urges that 120 hours of processing time is needed and should be ordered as the mid-month freeze, and that the last six days of the month be the end of the month freeze. The Company argues that if it is directed to process the bids in less than 120 hours, it will have to take steps that create more onerous circumstances for flight attendants (e.g., decreasing from seven the number of "layers" of preferences Flight Attendants may bid [T:232], and first processing a separate run for language qualification, which would adversely impact the bid awards of more senior Flight Attendants

[T:56-59, 230])). The Company asks that the Board dismiss the Union's grievance and set timelines in accordance with the Company's presentation herein.

After thorough consideration of the evidence and argument presented, a majority of the Board finds that the 48 hour provisions in the JCBA were "placeholders". That is, there was no meeting of the minds as to the number of hours that would be necessary for all of the steps involved in processing preferential bids, because the parties had no experience with that process when the JCBA was negotiated, and they sincerely did not know how quickly each step could be completed.

A majority of the Board finds that if the 48 hour provisions had been fully negotiated by the parties, there would have been no need for the parties to add the above quoted sentence at the end of Section 10, because the parties would have fully vetted the timetable stated in the PBS provision, i.e., Section 10.D. Further, a majority of the Board finds that by including that last sentence in Section 10, the parties indicated that they expected JSIC to deal with the issues related to the timing of the processing of bids, and everyone at the negotiating table understood this circumstance would arise in the new environment of preferential bidding which, at that time, was untested. This conclusion is buttressed by the uncontroverted fact that when the Company implemented PBS at some of the smaller Legacy US Airways (referred to by the parties herein as "LUS")

locations, it needed 48 hours for the optimization process and 24 hours for the loading time. Thus, even if there had been a 48 hour rule for processing and posting the bid awards, the parties mutually agreed to extend those deadlines to 72 hours for the much smaller LUS bases in which PBS was being tested.³

The record further reveals that the architecture of the LAA system is more complex than that of LUS and, therefore, the LAA system requires nightly maintenance which renders the system unavailable for processing bids for four hours per night. (T:64).

In addition, when a Tentative Agreement was initialed by the parties on September 15, 2014 (C-6), it contained a 72 hour period for processing bids. There were some discussions between the parties, and when the Union sent a copy of a Tentative Agreement to the membership for ratification in October 2014, it included a chart showing that PBS needed 120 hours for the process of optimizing the bids (i.e., not including the time for posting the bid awards).⁴ (C-8).

For these reasons, a majority of the Board finds that with respect to the Union's grievance, the 48 hour provision was

³ The record reveals that at LUS, there was a committee called JIRC (Joint Implementation and Resolution Committee), which served the same purpose as JSIC under the JCBA. (T:61; J-2). The parties agreed, based upon the recommendation of the JIRC in March 2015 to allocate 48 hours to the optimization time and 24 hours to load the bids under PBS, for a total bid processing time of 72 hours. There also is a mid-month freeze of 72 hours. (T: 49-50).

⁴ At the hearing, the Company indicated that it now was seeking 72 hours for the optimization process and an additional 48 hours for loading the bids into the crew management system, for a total of 120 hours. (T:47-48).

inserted in the JCBA as a placeholder, and that there was no meeting of the minds as to the time periods for processing and posting bid awards. Accordingly, there also was no agreement as to the number of days in the middle of the month that would be frozen during optimization and loading. A majority of the Board therefore finds that the Company did not violate the JCBA by indicating that it would not follow the 48 hour provisions stated in Sections 10.C.6, 10.E.2.e and 10.G.2.c of the JCBA, because those were not the time periods agreed upon. Accordingly, the first issue presented must be answered in the negative: Section 10(C)(6) of the JCBA does not require the Company to publish the official PBS awards on the eighteenth day of the calendar month prior to the subsequent bid period. Further, Sections 10(E)(2)(e) and 10(G)(2)(c) do not require the Company to limit to 48 hours while PBS is processing the period during which a Flight Attendant cannot pick up, drop or trade a trip that touches the last six days of the bid period. Thus, the two issues presented by the Union are answered in the negative.

At the arbitration, the parties expressed their agreement that if the Board were to find that the 48 hour times listed in the contract are placeholders, then it would be futile to send this question back to JSIC for further discussions, as the representatives on JSIC had done their best and had not reached agreement. Since PBS is scheduled to go on-line for the LUS bases in October 2018 and for legacy American Airlines

(referred to by the parties as "LAA") bases in the Spring of 2019, there is little time for the parties to re-engage on these questions in JSIC. Accordingly, the parties agreed that the Board would act as interest arbitrators to fashion an appropriate remedy, i.e., insert hours to replace the 48 hour placeholders. (T:91-92, 278). All parties recognize that this grant of authority to the Board is for this case only and on a non-precedential basis, and is conferred in light of the parties' need to resolve the questions posed as quickly as possible so as not to add further delays to the implementation of the Preferential Bidding System. In light of this authority conferred on the Board by the parties, the Board now sets forth the various time deadlines needed for the PBS process to occur, as those categories were discussed in this hearing.

Testimony was presented by a Company witness to explain that the processing of PBS bids for Flight Attendants is far more complicated than processing bids for Pilots, because: (a) there are several Flight Attendant positions available per flight (while Pilots typically have only two)⁵; (b) Flight Attendants can bid a language qualification for a flight; (c) there are approximately 15,000 Pilots and 25,000 Flight Attendants employed by the Company (T:216), so the number of people bidding is vastly larger in the Flight Attendant unit; and (d) each Flight

⁵ There is a Captain and First Officer position on every flight, and some longer or international flights require up to four pilots. (T:216).

Attendant can list up to seven "layers" which the Company's witness, Dr. Darin Lee, defined as "...a set of pairings between which a Flight Attendant is indifferent (e.g., overnights in LHR, CDG or MAD)." (C-27, p. 12; T:231-32). The Board is persuaded that the processing of bids for Flight Attendants is more complicated than the processing of the Pilots' bids, and it takes longer for the computers to run the optimization and loading programs for Flight Attendants.⁶ The record is uncontroverted that the total processing time for the Pilots' bids is 125 hours.⁷ (T:216).

A majority of the Board is persuaded that the technological complexities of the Flight Operating System ("FOS") into which PBS will load its data is different from and more complex than the CATS system at LUS. FOS requires nightly maintenance in order to keep American Airlines' entire computer system up and running. This is a fundamental difference from the

⁶ Optimization has been described as the process in which the bids are evaluated electronically to maximize Flight Attendants' preferences within the rules for bidding. (T:213-14). "Loading" is the process in which the bid awards generated from the external optimization system are sent through a series of steps as part of the base expansion process to validate and check the assignments for feasibility as they are processed, transformed into the current system's format and loaded into the internal American Airlines Flight Operation, Trading and Reserve systems.

⁷ The Union argued that pilot schedules are more complex as there are more Federal Aviation Administration Regulations ("FARs") that must be optimized for pilots. The Board notes the 125 hours for processing Pilots' bids simply to indicate that the Employer's request for 120 hours to process Flight Attendants' bids is not, on its face, a bad faith estimation of time needed, nor can there be any suggestion that the Company is singling out the Flight Attendants for a harsher process.

LUS system. (T:224-26). A majority of the Board also is persuaded that if a 48 hour processing time were awarded by the Board, the Company would be required to comply and that would cause it to reduce the number of layers a Flight Attendant can bid, and most likely do a separate run for language qualifications, as those two changes would most dramatically simplify the processing of bids. The Board is persuaded that those two changes would adversely affect Flight Attendants. (T:219-21, 2320-32, 236).

The need for and duration of the mid-month and end of the month freezes are important aspects of the Union's grievance. The JCBA provides that during the time the bids are being processed (i.e., the optimization process plus the loading process), Flight Attendants are precluded from adding, dropping or trading any trips that include any days in the last six days of the month. The explanation for the mid-month freeze is that there must be a period of time within which there can be a snapshot of the Flight Attendant's schedule so that PBS can avoid awarding a trip in the new bid month for which the Flight Attendant would be illegal to fly. The explanation for the freeze at the end of the month is that if the Flight Attendant makes changes to his/her work schedule for the last six days of the month (or a trip that touches the last six days of the month, as in a two day trip that begins seven days from the end of the month and ends on the sixth day prior to the end of the month),

then a Flight Attendant's schedule for the beginning of the new bid month may be impacted. (T:245).

The Board is cognizant of the Flight Attendants' desires for flexibility in scheduling, and to minimize the number of frozen dates on the calendar. Directly related to this is the Flight Attendants' desires to have more time after the posting of bids within which to consider whether adding, dropping or trading a trip is necessary or desired by the Flight Attendant. A majority of the Board first finds that if the bidding period is shortened by one day, that will ultimately give the Flight Attendants more time in the third and fourth weeks of the month for trip trading without significantly impacting the amount of time a Flight Attendant has to decide what trips to bid. Accordingly, the Board will award that the bidding period shall commence at 1200 (DFW time) on the tenth of the month, and shall close at 1200 (DFW time) on the fifteenth of the month.

A majority of the Board finds that, at this time, the Company needs a total of 120 hours in the middle of the month for processing of PBS bids, i.e., from 1200 (DFW time) on the fifteenth of the month to 1200 (DFW time) on the twentieth of the month. During that time, Flight Attendants shall be precluded from adding, dropping or trading trips that have duty time during the last three days of the month. The shortening the end of the month freeze from six days to three days should be seen as a direct trade-off to the lengthening of the mid-month freeze to

120 hours. The Board does so even in light of testimony that urged an end of the month freeze equivalent to the bid processing time in order for PBS to work properly.

The Union has urged the Company to improve its optimization and loading software to shrink the time needed in the middle of the month from 120 hours to something shorter. The Company has expressed its desire to do so. (T:169, 178). A majority of the Board finds that if the Company shrinks the mid-month processing time to 96 hours, it may, at its sole discretion, increase the frozen period at the end of the month from three to four days. The Board adds this feature because the record evidence indicates that there is a direct correlation between the duration of the end of the month freeze period and the ability of the PBS to produce conflict-free bid awards. (T:241, 258). If the processing period is shortened to 96 hours or less, all other deadlines will move accordingly (e.g., bids will be published one day earlier).

The Board is keenly aware that by shortening the end of the month freeze from 6 to 3 days, it is likely that some bids will be awarded that contain conflicts with a Flight Attendant's schedule. (T:241-44). This is anathema to the goal of PBS to produce conflict free results, but it is a trade-off with the goal of minimizing the freeze periods in the bidding process and affording Flight Attendants their desire for greater flexibility

in trip adding, dropping and trading.⁸ That said, this Board would be remiss if it failed to direct a mechanism for resolving such bid conflicts. Accordingly, the Board directs the Company to utilize the conflict resolution mechanism contained in the Legacy American Airlines contract to resolve bid conflicts. This LAA conflict resolution mechanism may be modified upon the recommendation of JSIC and subsequent approval of JSIC's recommendation by both the Company and the Union.

The Board further directs that based on 120 hours of processing time, bids will be published on the twentieth of the month at 1200 (DFW time). The Trip Trade System ("TTS") will have its first run for the next month on the twenty-first day of the month at 2300 (Home Base Time ["HBT"]). The Electronic Trade Board ("ETB") will open on the twenty-second day of the month at 0400 (HBT) for the next month. For TTS and ETB, all end of the month frozen time is three days, unless changed to four days in accordance with the Opinion herein.

As for the Company's grievance, the Company presented to JSIC a request to increase to 72 hours the amount of time for optimization, plus 48 hours for loading time. This is an additional 24 hours for optimization and an additional 24 hours for loading time from the time currently spent by the Company at

⁸ The Company argued that if trip conflicts are resolved by dropping trips, that often generates a need for more reserve Flight Attendants, which may well have an unpopular impact on Flight Attendants. (T:249).

legacy US Airways locations to process and post the bid awards. The Union members of JSIC objected and said they wanted the 48 hour provision in JCBA as the total time available for processing and loading the bids. The Company asserts that there came a time when the Union members of JSIC, at the direction of the Union, simply refused to discuss this matter further, and that violated the Agreement. (T:113, 182-84). The Company asks that the Union be found to have prematurely terminated discussions at JSIC. (T:274-75).

The Board finds that while the parties clearly provided that the JSIC would "oversee implementation and development" of PBS (JCBA, Section 10.D.2), this is a situation where the equal number of Union and Company members of JSIC could not reach agreement on what number of hours should be filled in for the 48 hour placeholder, though they worked on this issue for at least January to mid-October 2017.⁹ (T:115-32).

A majority of the Board finds that the Union members of JSIC discussed the issues presented and reached agreement on everything discussed except the 48 hour provisions. (T:72). A majority of the Board finds that this record of success demonstrates that the Union members of JSIC complied with their obligations as members of that Committee and they simply came to a stalemate with the Company over the 48 hour issue. The Union

⁹ Cindi Simone believed JSIC began these discussions in January 2016. (T:153).

did not violate Section 10 of the JCBA with respect to its participation in discussions at JSIC concerning the 48 hour provisions.

Finally, when a board acts as interest arbitrators, it is the board's function to set the terms on disputed items - in this case, the PBS processing times. In rendering the Award herein, the Board looked at all of the relevant provisions in Section 10 of the JCBA and the evidence and argument presented, and made adjustments designed to reflect the massive undertaking of implementing JCBA-compliant PBS across the entire system. The Board had to balance the technological challenges of the Preferential Bidding System, the desire of Flight Attendants for the greatest degree of flexibility, and the Company's desire to accommodate the Flight Attendants as much as feasible within the parameters of having a successful PBS. As such, the Board's recommendations must be viewed as a whole, with due consideration given to the fact that this Award causes both sides to make compromises, at least in the short term, with the expectation that the bid awards ultimately produced by PBS will be more responsive to Flight Attendant preferences and more efficient for the Company.

Upon thorough consideration of the evidence and argument presented in this hearing, and in light of the authority conferred on this System Board of Adjustment to act as interest arbitrators and determine the time line for PBS processing, the

Board renders the following AWARD:

AWARD

The grievances are resolved in accordance with the Opinion herein. With respect to the Union's grievance, Section 10(C) (6) of the JCBA does not require the Company to publish the official PBS awards on the eighteenth day of the calendar month prior to the subsequent bid period. Further, Sections 10(E) (2) (e) and 10(G) (2) (c) do not require the Company to limit to 48 hours while PBS is processing the period during which a Flight Attendant cannot pick up, drop or trade a trip that touches the last six days of the bid period. In its role as a board of interest arbitrators, a majority of the Board awards the following schedule to replace the placeholder provisions in the JCBA.

The bidding period applicable to PBS shall open at 1200 (DFW time) on the tenth of the month and shall close at 1200 (DFW time) on the fifteenth of the month. Processing of the bids, including the optimization period and the loading period, shall occur between 1200 (DFW time) on the fifteenth of the month and 1200 (DFW time) on the twentieth of the month. Based on 120 hours of processing time, bids will be published at 1200 (DFW time) on the twentieth of the month.

During the 120 hour period of processing the bids, employees are precluded from adding, dropping or trading any

trips that impact (a/k/a "touch") the last three days of the month. If the Company is able to reduce the bid processing time to 96 hours, the Company may, at its discretion, add a fourth day to the frozen period at the end of the month.

Based on 120 hours of processing time, the TTS first run for the next month will be on the twenty-first of the current month at 2300 (HBT). The ETB will open on the twenty-second of the current month at 0400 (HBT) for the next month. For TTS and ETB, all end of the month frozen time is three days, unless changed to four in accordance with the Opinion herein.

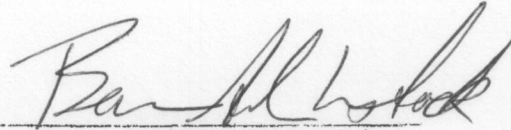
To resolve any bid conflicts that may result from the end of month freeze being reduced to three days, the Board directs the Company to utilize the conflict resolution mechanism contained in the Legacy American Airlines contract. This LAA conflict resolution mechanism may be modified upon the recommendation of JSIC and subsequent approval of JSIC's recommendation by both the Company and the Union.

With respect to the grievance filed by the Company, APFA did not violate Section 10 of the JCBA with respect to its participation in discussions at JSIC concerning the mention of a 48 hour period for certain events in the preferential bidding process.

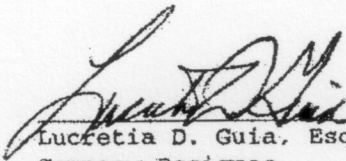
At the parties' request, this System Board will retain

jurisdiction if questions arise regarding the implementation of
this Award.

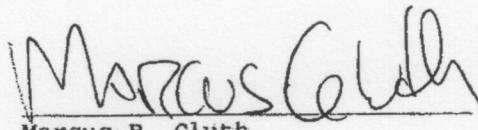
May 25, 2018



Bonnie Siber Weinstock
Neutral Chairperson



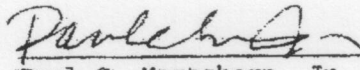
Lucretia D. Guia, Esq.
Company Designee
concur/dissent on remedy



Marcus B. Gluth
Union Designee
concur/dissent on remedy



Misty Shafer Sterne
Company Designee
concur/dissent on remedy



Paul C. Hartshorn, Jr.
Union Designee
concur/dissent on remedy