

# American Airlines®

February 22, 2010

Robert F. Gless  
AA System Coordinator  
Assistant ATD Director  
International Vice President  
Transport Workers Union of America, AFL-CIO  
1791 Hurstview Drive  
Hurst, TX 76054

**Re: Retiree Medical**

Dear Robert,

During the recent negotiations, the parties had an opportunity to discuss the Company's competitive disadvantage concerns over Retiree Medical and the TWU's interest to maintain this valuable benefit.

In the interest of finding a mutually beneficial solution, the Company and the TWU commit to form a joint committee with the sole purpose to explore the possibility of establishing a Voluntary Employees' Beneficiary Association (VEBA) similar to the agreement between the UAW and General Motors that was approved in 2007.

The joint committee will be established and the terms and conditions surrounding the scope of the committee will be agreed to within one hundred and twenty (120) days of the date of signing of the AA/TWU agreement.

If you are in agreement, please indicate by signing below.

Sincerely,

Agreed to:

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Mark Burdette  
Vice President  
Employee Relations

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Robert F. Gless  
AA System Coordinator  
Assistant ATD Director  
International Vice President  
Transport Workers Union of America

cc: J. Brundage  
J. M. Conley  
C. Wright  
J. Weel  
C. Teklitz  
T. Gillespie  
D. Videtich  
T. McCoy