AmericanAirlines®

February 9, 2010

Timothy J. Gillespie International Representative Transport Workers Union of America 1791 Hurstview Drive Hurst, TX 76054

Dear Tim,

As you know, the Company will be conducting a reduction in force within the Fleet Service Clerk and Crew Chief Fleet Service Clerk classification for Airport Services with the first round to be effective March 12, 2010. In addition, Article 12 (n) 2 of the AA/TWU agreement covering Fleet Service Clerk employees, obligates the Company to provide a fifteen (15) day window in March each year, to allow Crew Chiefs the opportunity to self demote.

As a result of these two (2) contractual applications occurring simultaneously, which is highly unusual, it was necessary for the Company and the TWU to get together to discuss a possible solution so as to minimize the impact to the employees and remain contractually compliant. After several discussions on the matter, the Company has decided to implement the following method at all applicable AA Fleet Service Clerk stations for this year.

- Crew Chief self-demotion window in March, 2010
 - Open self-demotion opportunity window on March 13, 2010 and close March 28, 2010 (upholding the 15 calendar day window) at all Fleet Service Clerk stations.
 - The self-demotion/upgrade awards will be processed after all the necessary rounds of the reduction in force (RIF) have been completed.
 - o In the event the reduction in force includes a third (3rd) round (expected effective date April 23, 2010), then those employees who are awarded a Crew Chief position as a result of the self demotion/upgrade process, will be provided retroactive Crew Chief premium pay back to April 3, 2010.
 - Crew Chiefs who self demote through the self demotion process will retain the Crew Chief premium until the RIF is complete and the PTR is processed locally to allow the step down.

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If you have any questions, please feel free to contact me.

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Sincerely,

James Weel

Managing Director Employee Relations

agreed to:

Timothy J. Jillespie

International Representative

Transport Workers Union of America

Cc: M. Burdette

B. Gless

Airport Services, Vice President's Airport Services, Managing Director's Airport Services, General Manager's

HR Ops Talent Svcs Payroll D. E. Taber

M. Tinsman