

AGREEMENT  
Between  
AMERICAN AIRLINES, INC.  
And the  
Technical Specialist Employees in the service of  
AMERICAN AIRLINES, INC.  
As represented by the  
Transport Workers Union of America, AFL-CIO

THIS LETTER OF AGREEMENT is made and entered into in accordance with the Railway Labor Act, as amended, by and between American Airlines, Inc. ("American" or the "Company") and Technical Specialist employees ("Employees") in the service of American, as represented by the Transport Workers Union of America, AFL-CIO ("Union" or "TWU").

WHEREAS, upon ratification of the attached tentative agreement covering the Employees, the Company will establish an enhanced profit sharing arrangement (the "Enhanced Plan") that will allow the Employees the enhanced opportunity described below to share in the financial success of the Company; and

WHEREAS, the Company and the Union are committed to the principle that the Employees, in light of the above-referenced modifications to the collective bargaining agreements, should participate in the Enhanced Plan;

THEREFORE, the parties to this Letter of Agreement hereby agree as follows:

1. If the Company and the Employees reach a ratified agreement regarding modifications to the collective bargaining agreement covering the Employees on the property, the Company will establish the Enhanced Plan in order to make discretionary contributions on behalf of the Employees. The Enhanced Plan shall include the elements outlined below. Any and all payments under the Enhanced Plan will be subject to the Company's discretion and contingent upon and calculated based on the financial performance of the Company, as outlined below.
2. The effective date of the Enhanced Plan will be the day following the date of ratification of the last modified TWU labor agreement.
3. Performance will be measured by American's Pre-Tax Earnings (as defined in the Enhanced Plan) with respect to the plan year covered by the Enhanced Plan and the fund from which any Enhanced Plan awards are distributed ("Enhanced Fund") will

accumulate based on that performance, and will be established as follows:

- a. Thirty percent (30%) of the dollar amount of American's Pre-tax Earnings, up to and including \$250 million; *plus*
  - b. Twenty-five percent (25%) of the dollar amount of American's Pre-tax Earnings in excess of \$250 million and up to and including \$500 million; *plus*
  - c. Twenty percent (20%) of the dollar amount of American's Pre-tax Earnings in excess of \$500 million.
4. For eligible Employees, individual awards under the Enhanced Plan will be distributed based on a definite predetermined formula for allocating on a pro-rata basis the contributions made to the Enhanced Fund which will be determined by the Company. An award under the Enhanced Plan shall be offset by any award under the American Airlines Employee Profit Sharing Plan ("AA Profit Sharing Plan") such that awards under both plans are not additive.
  5. Any payout under the Enhanced Plan will be made no later than March 15<sup>th</sup> of the year following the year's profits on which the payout is based. Contributions to the Enhanced Plan on behalf of the participants will be in cash, subject to the annual plan limitations under the Internal Revenue Code and other governing laws for profit sharing arrangements. Enhanced Plan awards shall not be considered pensionable pay for purposes of calculating an employee's benefits under the Company's pension plans.
  6. The TWU understands that the AMR Incentive Compensation Committee will have the discretion and exclusive authority to administer, construe and interpret the Enhanced Plan. It further understands that additional employee participants not represented by the TWU may be added under the Enhanced Plan at the Company's discretion.
  7. The TWU understands that, if agreements are reached between American and the Allied Pilots Association and Association of Professional Flight Attendants to include employees represented by those unions under the Enhanced Plan, the AA Profit Sharing Plan will be terminated.
  8. Upon ratification of all of the attached tentative agreements, this Letter of Agreement shall cancel and supersede the Letter of Agreement dated April \_\_, 2003 establishing the Annual Incentive Plan (AIP) for TWU represented employees. TWU understands that any Employees who participate in the Enhanced Plan will not be eligible to participate in the AIP.

February 23, 2010  
Company Proposal

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this\_\_ day of\_\_\_\_\_, 2010.

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James B. Weel  
Director, Employee Relations  
American Airlines, Inc.

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Robert F. Gless  
Transport Workers Union of America, AFL-CIO