

ENFORCEMENT OF "ME, TOO" AGREEMENT
BETWEEN AMERICAN AIRLINES AND
THE TRANSPORT WORKERS UNION COVERING
GROUND SCHOOL AND PILOT SIMULATOR INSTRUCTORS
June 28, 2012

This agreement is entered into between the Transport Workers Union International (TWU) and American Airlines, Inc. (AA) this 28th day of June 2012 and shall become incorporated and become part of the collective bargaining agreement existing between the parties.

Whereas, TWU and AA entered into an agreement, ratified by the TWU Ground School and Pilot Simulator Instructor members, which includes a "Me, too" provision, also referred to as "TWU Global 2" of that agreement; and

Whereas, as of June 27, 2012, AA has proposed to provide additional benefits, specified herein, to a non-TWU union group, which proposed benefits relate to the provisions of the "Me, too" agreement.

Whereas, further AA has committed to treat TWU groups in a fair and equitable manner.

Now therefore, be it agreed that in accordance with the terms of the "TWU Global 2" – "Me, too" provision, the terms of the parties' collective bargaining agreement shall include the more favorable terms/benefits, attached hereto as Exhibit A.

It is also agreed to by the parties, that implementation of the terms of the ratified collective bargaining agreement, along with the agreed upon terms set forth in Exhibit A, will be in accordance with the TWU "Global 2" – "Me, too" provision.

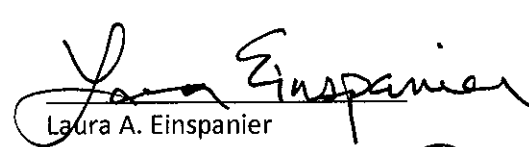
It is understood by the parties that by entering into this agreement, TWU does not waive its right to enforcement of any future "Me, too" claims in accordance with the "TWU Global 2" – "Me, too" provision.

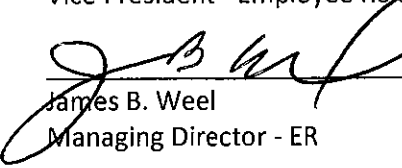
FOR INTERNATIONAL TRANSPORT WORKERS UNION:

FOR AMERICAN AIRLINES, INC:


James C. Little
International President


Timothy J. Gillespie
International Representative


Laura A. Einspanier
Vice President - Employee Relations


James B. Weel
Managing Director - ER

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Exhibit A.

The following agreed upon terms of the parties' collective bargaining agreement between American Airlines and the Transport Workers Union covering Ground School and Pilot Simulator Instructor employees satisfies the conditions of the "Me, too" provision of the recently ratified AA/TWU Ground School and Pilot Simulator Instructor agreement. In addition, it is understood that the items addressed below were the appropriate items to address relative to the recent proposal the Company provided to the APA. However, it is further understood, the TWU reserves the right to dispute at arbitration the adequacy of these or any other item to address its "Me, too" rights. All other terms and conditions of the ratified agreement remain unchanged. Implementation of the ratified collective bargaining agreement, along with the agreed upon terms below, will be in accordance with the "Me, too" provisions of the recently ratified AA/TWU Ground School and Pilot Simulator Instructor agreement.

I. DURATION

Six (6) years from Date of Signing (DOS). At any time following DOS plus forty-eight (48) months, but prior to DOS plus seventy-two (72) months, with sixty (60) days prior written notice by either party, the parties will commence negotiations in accordance with Section 6, Title I of the Railway Labor Act, as amended.

II. COMPENSATION & RELATED PROVISIONS

1. Base pay rates:

Modify Article 4(a) to increase base pay rates as follows:

- effective DOS + 12 months – 3.1%
- effective DOS + 24 months – 3.1%
- effective DOS + 36 months – 3.1%
- effective DOS + 48 months – 3.1%
- effective DOS + 60 months – 3.1%

2. New Profit Sharing Plan – (See Attachment A.)

III. BENEFITS

1. 401(k)

Amend the Basic Agreement to provide that the Company will offer a replacement benefit through the Super Saver 401(k) Plan. Employees will automatically be enrolled (with an option to opt out) at an employee pre-tax contribution of 3% of eligible compensation per payroll period, with a Company match up to 5.5% of eligible compensation as defined by the SuperSaver plan document.

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Eligible Compensation – for the purposes of determining any matching contribution or Company contribution, eligible compensation will be the sum of all 401(k) deferrable compensation, except for the following:

- Uniform Cleaning Allowance
- Overtime Meal Allowance
- Co-Terminal Expenses
- Expense reimbursements
- Approved expense allowances
- Company paid life insurance premiums
- Value of NRSA passes
- Pre-tax flexible benefit plan contributions
- Disability/Workers' Compensation payments
- Severance pay
- Termination Sick Premium
- Company paid employee expenses
- Benefit pay
- Tips
- Gain Sharing payments

2. Active Medical Plan – (See Attachment B.)

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ATTACHMENT A

NEW PROFIT SHARING PLAN

Implementation of the New Profit Sharing Plan:

- Current Profit Sharing plan and the Annual Incentive Plan (AIP) would be eliminated.
- Beginning at the first dollar of AA pre-tax income, the New Profit Sharing plan would pay awards equal to the schedule below, prorated to take into account any group of frontline employees who do not participate in the plan. AA pre-tax income for the purposes of these awards will be calculated prior to the effects on income of any special, unusual and non-recurring items or incentive pay.

<u>Year</u>	<u>Percent of pre-tax income</u>
2012	5%
2013	5%
2014	5%
2015	5%
2016	5%
2017	5%

- The New Fund would be distributed equitably to all eligible employees based on each employee's eligible earnings.
- Individual New Awards will be distributed no later than March 15 of the following year for employees who meet the eligibility requirements as long as minimum funding provisions are met.

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ATTACHMENT B

ACTIVE MEDICAL

1. With the exception of the Standard plan design features in the chart and changes noted in #3 below, all other plan provisions are subject to change at Company discretion. Plan design features and other plan provisions in the Core medical option may change at Company discretion and advance notice of any changes will be provided prior to implementation. To the extent the Company is offering the Value medical option in any Plan Year to employees, employees eligible to enroll in the Standard and Core medical options will be eligible to enroll in the Value option; the Company, at its discretion may change plan design and contributions in the Value option or otherwise amend or eliminate the Value option.
2. Aggregate employee contributions for the Standard and Core medical options for 2013 will be 18%, 2014 will be 19%, 2015 will be 20% and 2016 and thereafter will be 21% of the total projected cost of each forecasted year of healthcare expenses (which include medical/Rx and administrative expenses). Contributions for the Standard and Core medical options will increase with inflation for these two (2) medical options with cost share set as explained above. The Value medical option inflation will be calculated separately.
3. The Standard medical option annual deductible will increase \$50 in 2015 and 2017 until the deductible reaches \$850 for employee only coverage, \$2,550 for family coverage.
4. Current coverage tiers for contributions will be replaced, as follows:

Current Coverage Tiers	New Coverage Tiers	Multiplier
Employee Only	Employee Only	1.0
Employee + 1	Employee + Spouse/Domestic Partner	2.6
	Employee + Child(ren)	1.8
Employee + 2 or more	Employee + Family	3.5

5. The \$150 and \$1000 standard medical options in the current CBA will be eliminated including the elimination of the current inflation formula used to determine future contributions.
6. Part-time employees will be offered the same medical options as full-time employees. Contributions for the Core medical option will be the same as full-time employees. Contributions for all other medical options for Employee Only coverage will be the same as full-time employees; contributions for coverage enrollment with dependents will be two (2) times the FT contributions for employees enrolled in the same medical option and coverage tier.
7. New employees eligible for healthcare coverage will default to the Core option, which is the Health Savings Account-compatible medical option, for Employee Only coverage on their eligibility date, should another option or level not be elected during their initial enrollment.
8. To the extent the Company is offering incentives in any Plan Year to employees for participating in the Healthmatters wellness program, employees enrolled in the Standard and Core Plans will be eligible for those incentives provided they meet the criteria (as established by the Company at its discretion) for earning the incentive.

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Active Medical Chart

	Value	Standard	Core
Plan Design Features	Non-Contractual	Contractual Features	Non-Contractual
Spending Accounts	N/A	HRA	HSA Compatible
Spending Account Funding (2013 only)	\$0	\$375 ee & \$375 sp	\$0
In Network Deductible (Single/Family)	\$300/\$900	\$750/\$2,250	\$2,000/\$4,000**
Out of Network Deductible (Single/Family)	\$1500/\$4500	\$3,000/\$9000	\$4,000/\$8,000**
Coinsurance (In/Out)	20%/40%	20%/40%	30%/50%
In Network Out of Pocket Max (Single/Family)	\$1,750/\$4,375	\$2,000/\$5,000	\$6,000/\$12,000**
Out of Network Out of Pocket Max (Single/Family)	\$6,000/\$15,000	\$6,000/\$15,000	\$12,000/\$24,000**
Primary Care Physician Copay (In/Out)	\$20*	\$30*	30%/50%
Specialist Copay (In/Out)	\$40*	20%/40%	30%/50%
Retail Clinics Copay (In/Out)	\$40*	20%/40%	30%/50%
Preventive Care*	\$0	\$0	\$0
Emergency Room	Ded/Coins/\$100 CoPay	Ded/Coins/\$100 CoPay	Ded/Coins
Pharmacy (Retail)			
Generic	\$10	20% (\$10 min/\$40 max)	subject to deductibles and coinsurance***
Formulary Brand	30% (\$20 min/\$75 max)	30% (\$30 min/\$100 max)	
Non-Formulary Brand	50% (\$35 min/\$90 max)	50% (\$45 min/\$150 max)	
Pharmacy (Mail)			
Generic	20% (\$0 min/\$80 max)	20% (\$5 min/\$80 max)	subject to deductibles and coinsurance***
Formulary Brand	30% (\$40 min/\$150 max)	30% (\$60 min/\$200 max)	
Non-Formulary Brand	50% (\$70 min/\$180 max)	50% (\$90 min/\$300 max)	
2013 Monthly Contributions			
EE Only	\$112.50	\$70.69	\$57.40
EE + Spouse/DP	\$292.50	\$183.81	\$149.25
EE + Child(ren)	\$202.50	\$127.25	\$103.33
EE + Family	\$393.75	\$247.43	\$200.91
2013 PT Monthly Contributions			
EE Only	\$112.50	\$70.69	\$57.40
EE + Spouse/DP	\$472.50	\$296.89	\$149.25
EE + Child(ren)	\$292.50	\$183.79	\$103.33
EE + Family	\$675.00	\$424.15	\$200.91

*Not subject to deductible

** Core - each deductible (single/family) is an aggregate that needs to be satisfied in total before coinsurance applies

** Core - the deductible is calculated as satisfying a portion of the OOP Max

** Core - each (single/family) OOP Max is an aggregate that needs to be satisfied in total before receiving 100% coverage

***Preventive Rx not subject to deductible, coinsurance still applies

Value, Standard, and Core coinsurance amounts (Medical and Rx) apply towards OOP maximums

OOP amounts do not include the deductibles for Value or Standard