NOTICE OF ELIGIBILITY TO PARTICIPATE IN EQUITY DISTRIBUTION, INFORMATION RECEIVED FROM AMERICAN AND APPEALS PROCEDURE

EXPLANATION OF ELIGIBILITY DETERMINATION AND INFORMATION RECEIVED FROM AMERICAN

Enclosed with this notice is a statement regarding your eligibility to participate in the distribution of TWU's portion of the equity to be issued by American Airlines to unsecured creditors after American emerges from bankruptcy. The notice will tell you whether you are eligible to receive shares in the distribution under the standards developed by the TWU Equity Distribution Committee. The notice will also advise you of the information TWU has received from American regarding your circumstances as of November 29, 2011, the date American filed for bankruptcy and the starting date of the eligibility period, including: your employee number, your straight-time all-in rate of pay [wage rate plus differentials and premiums (but not overtime)], years of service with American Airlines under a TWU collective bargaining agreement, whether you were full time or part-time, and your classification on that date. Notification as to whether you were covered by the health care premium grievance and your level of participation in an American Airlines health insurance plan, and whether you were covered by the 757 outsourcing grievance will be provided in a separate notice.

If you dispute the determination regarding your eligibility to participate in the equity distribution and want to challenge that determination, you must file an appeal with the Equity Distribution Committee as required by the appeals procedure described below within 30 days of the date of this notice on the form provided along with detailed supporting information and documentation. If you believe there was an error in the amount of shares you received once the distribution occurs you must file an appeal with the Committee within 30 days of issuance of the shares.

TWU EQUITY DISTRIBUTION APPEALS PROCESS

Filing an Appeal

An appeal can be filed by a Claimant, or his or her beneficiary in the event of death, by submitting an appeal on the form provided with this notice to the address below:

TWU Equity Distribution Appeals Committee c/o The Labor Bureau, Inc. 1420 King Street, Suite 500 Alexandria, VA 22314

To be considered timely, an appeal must be postmarked within thirty days of the date on this notice. It is the claimant's responsibility to ensure that the appeal has been timely filed; so as to be able to document having filed an appeal, anyone doing so should send his/her appeal by certified mail, return receipt requested.

Contents of an Appeal

All appeals must be in writing and must contain the claimant's name, address, employee identification number, job/position, TWU craft/class, Local, and station/facility. The appeal must contain all evidence and argument in support of the appeal including documentary evidence.

Appeals Panel

A three person Appeals Panel selected from among the Equity Distribution Committee will review and decide an appeal. If a member of the Panel is from the Claimant's Local, he will be replaced with another member of the Committee. The Panel may conduct its own investigation and seek information or documentation from the TWU, American Airlines, the Claimant's Local Union or any other source and may utilize or rely on that information or documentation.

A Panel may submit questions or requests for documentation to a Claimant, may interview a Claimant telephonically, or may schedule a hearing on the appeal. Failure to participate in any of these activities may result in the appeal being denied. If the Panel decides to conduct a telephone interview or a hearing, the Claimant will be provided with at least ten (10) days' notice. The Appeals Panel may work with legal counsel or other professionals in assessing an appeal.

Decisions on Appeals

The Appeals Panel will issue written decisions on all appeals within thirty (30) days of receipt of an appeal, unless the Panel determines that further investigation is warranted. If further investigation is warranted, the Claimant will be notified within the 30 day period. A decision will set forth the reason(s) for granting or denying the appeal and will be issued within thirty (30) days after the close of the investigation. However, no appeal shall be deemed granted for failure of a Panel to conclude its investigation or issue its decision within the above set time periods.

Appeals Panels will perform a full and fair review of all appeals; decisions of a Panel will be non-discriminatory and made on a uniform basis. A majority vote of the Panel will determine the outcome of an appeal. The decisions of the Appeals Panel are final and binding, unless a court with proper jurisdiction issues a final decision that the determination of the Appeals Panel is arbitrary, capricious, discriminatory or made in bad faith.

Remedies

If an Appeals Panel grants an appeal and determines that a Claimant is entitled to shares or additional shares from the equity distribution, the Claimant will be provided with the number of shares/additional shares to which he/she is entitled from the TWU Equity Distribution Plan Reserve. No interest shall be payable and no share price adjustment shall be made on any equity distributions made on appeal.

Exhaustion of Remedies

As set forth in the TWU Constitution, no one shall resort to any court or agency for redress until all forms of relief and avenues of appeal as provided in this Policy have been exhausted.

Waiver of Right to Appeal

Failure to follow the procedures and time limits set forth in this Policy will result in a waiver of a claimant's right to file an appeal or to have an appeal reviewed by an Appeals Panel.

TWU EQUITY DISTRIBUTION APPEAL FORMS

<u>Correction of payroll data provided by American Airlines</u>: I believe that the following information about me is incorrect:

The actual information about me is that:

(provide explanation and any supporting documents, attach additional sheets if necessary)

<u>Eligibility Appeal</u>: I hereby appeal the TWU Equity Distribution Committee's determination regarding my eligibility to participate in all or part of the equity distribution. I believe that I should be treated as eligible to participate in the equity distribution for the following reasons: (provide explanation and any supporting documents, attach additional sheets if necessary)

Dispute as to number of shares issued: I have received notification of the number of shares issued to me as part of the TWU Equity Distribution Plan. I believe that I should have been issued more shares for the following reasons: (provide explanation and any supporting documents, attach additional sheets if necessary)

Name:	Signature:	
address:		
phone:	e-mail address:	
employee identification number:		_station/facility:
job/position:	_ TWU craft/class:	Local