

June 5, 2014

Mr. David Virella
International Representative
AA System Coordinator
Transport Workers Union of America, AFL-CIO
1791 Hurstview Drive
Hurst, TX 76054

Re: Flexible Vacation - 2015

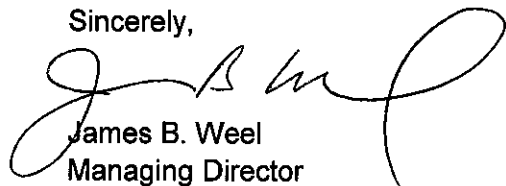
Dear David,

Since the merger close, the Company has been in the process of harmonizing Company policies and procedures so as to eventually have a universal solution that will apply across the combined employee groups at the new American.

As with any merger, consolidating policies is difficult. The Company recently reviewed the Flex Vacation policy and has decided to eliminate the policy as of January 1, 2015. The decision to eliminate the policy was difficult and we understand that it will be disappointing to many employees. Extending this policy to a workforce the size of the new American however, is simply not practical or competitive within the industry. Allowing an additional week of vacation for tens of thousands of employees could put additional stress on the operation and/or coworkers. Thus, the Company has already announced the discontinuation of Flex Vacation for management and support staff, and will announce to other workgroups, including agents, representatives, planners, and contract workgroups later today. This letter is to inform you that Flex Vacation will be eliminated, effective Jan. 1, 2015, for all TWU-represented employees. Again, this was a difficult decision.

If you have any questions, please contact me at 817-967-1447.

Sincerely,


James B. Weel
Managing Director
Labor Relations

cc: A. Hemenway
C. Fiedelman
T. Herschell
Labor Relations Team