

AmericanAirlines®

January 5, 2010

Robert F. Gless
Assistant ATD Director
AA System Coordinator
Transport Workers Union of America
1791 Hurstview Drive
Hurst, TX 76054

2010 M&E Operating Plan

Dear Robert,

This following represents the understanding between American Airlines and the Transport Workers Union of America, AFL-CIO with respect to a one-time offer of an enhanced Stand in Stead (SIS) special severance allowance as a result of the impact of the 2010 M&E Operating plan. The plan will include the closure of MCIE and a significant reduction to STL due to the recent announcement regarding network changes. These actions are expected to take place in September 2010.

The company is willing to provide, as a supplement to the regular Stand in Stead (SIS), a special separation allowance to mitigate the impact to those M&E TWU represented employees at MCIE/MCI and STL. The enhancement is based on the following conditions:

1. Eligibility: Any Maintenance & Engineering Title I, II, III or V TWU represented employee at MCIE/MCI and STL.
2. Employee agrees to permanently separate without recall rights
3. Severance: Regular severance in accordance with Article 37 of the AA/TWU agreement, excluding the additional two (2) weeks under Article 37(f). In addition, for those employees willing to commit to separate prior to the commencement of the reduction in force for closing the base (MCIE/MCI) and the reduction in force at STL, a special severance allowance of \$12,500.
4. All other benefits for the Stand in Stead (SIS) program, as provided on jetnet, will apply.
5. In order to properly plan the workload at MCIE and STL for 2010, all eligible employees will be provided a one time opportunity to express their interest for this enhanced SIS and special severance allowance by signing up on jetnet during the open window which is as follows:

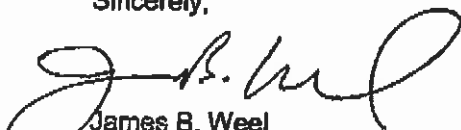
Monday, January 11, 2010 at 01:00 CST – Friday, January 29, 2010 at 11:00 PM CST

6. Employees who are on the list when the window of opportunity is closed will be the only employees considered eligible for the SIS and special separation allowance.
7. For the employees who have signed up on the list, they will have the opportunity to voluntarily separate based on 8. below. If an employee is interested in voluntarily separating prior to July 15, 2010, they must express their interest to local management. If local management can accommodate the request, then the employee will be provided a specific exit date. The possible opportunities are listed below:

- a. Based on the current dock plan at MCIE and the flight schedule at STL, the company will allow some employees to exit in the January to March 31, 2010 timeframe based on seniority and operational need. Employees will have the opportunity to express their interest as to when they would prefer to separate. Local management will put forth its best effort to accommodate the preference, but will base the final decision on operational necessity.
 - b. The plans for April 2010 until September 24, 2010 as to how many employees will be allowed to exit each month will be worked out locally between the TWU and local operating management. We anticipate some opportunities in July 2010 for AMTs and other Title I classifications. The needs for MCIE during this period of time will vary from STL, so it is imperative that management at those locations determine the number of employees and classifications that can exit during these critical months.
8. For those employees who have signed the list and are still on payroll or active as of July 15, 2010, they will be required to declare their commitment to either stay on the list and to separate voluntarily at some point in time (up to the September 2010 base closing date) or to remove their name from the list and thus be subject to the reduction in force upon closure of the base or for STL. This decision point is necessary in order to determine the number of employees, who will be subject to the reduction in force in September, 2010.
 9. With respect to Title II and V employees, it is expected that there will be a number of employees in these classifications that will remain on after September 24, 2010. However, it is agreed that for those employees who will be subject to the reduction in force, they will be included as part of the system RIF that will occur in September, 2010.
 10. Employees who did not sign up to voluntarily separate under the terms and conditions outlined above will be afforded their options under Article 15 of the AATWU agreement at the time of closure for MCIE/MCI and the reduction in force at STL.
 11. Separation date: At management discretion subject to operational needs and requirements.

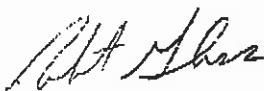
The agreement is made on a non-precedent basis and does not waive any preexisting rights of either party. If the above accurately reflects your understanding, please signify by signing below. If you have any questions, please contact me at 817-967-1447.

Sincerely,



James B. Weel
Director Employee Relations

Agreed to:



Robert F. Gless
Assistant ATD Director
American Airlines System Coordinator
Transport Workers Union, AFL-CIO

cc: B. Reding M. Easton E. Rodriguez
C. Romano M. Burdette R. Slakey
J. Ream D. Videtich M. Coplin
J. Brundage M. Cipperly A. Patton
K. Durst D. Levine
D. Herring D. Teters