

OVERVIEW OF VOLUNTARY OPTIONS BEING OFFERED TO ADDRESS THE CURRENT OVERAGE OF FLIGHT ATTENDANTS

There are five options available to Flight Attendants to address the current overage of Flight Attendants.

OPTION	DEADLINE
1. Travel Separation Program	Friday, January 22, 2010 1700 CT
2. Overage Leave	Friday, January 22, 2010 1700 CT
3. Modified Partnership Flying	Friday, January 22, 2010 1700 CT
4. Article 30	No deadline *
5. Normal Retirement	No deadline *

1. Travel Separation Program

Who's eligible: All active Flight Attendants who have at least 5 years of Company Seniority as of February 27, 2010.

Awarded: System-wide basis without regard to projected overages at each base.

How to proffer: You must use the online election form located on Jetnet. From the homepage go to "Policies and Procedures," then "People Reduction Information, then "Who's Offering."

Notes: Please review the "Employee Information Package" as well as the "Q and A" posted on Jetnet in their entirety to ensure you fully understand the provisions of the Travel Separation Program. Although you can change your election prior to January 22, 2010 at 1700, your final election prior to close of the offer will be binding.

Key points to consider:

Q. On what date will my separation be effective?

A. The separation date for Flight Attendants taking the Travel Separation Program will occur no later than February 28, 2010.

2. Overage Leaves (OL)

Who's eligible: All active Flight Attendants. Flight Attendants who are SK/US, IOD or M4 must have a planned clear date that is prior to the start date of the leave they are requesting as of 1700 Central Time on January 22, 2010 to be awarded an OLOA. (For March OLs your planned clear date must be no later than February 27, 2010 as March OLs will begin on February 28).

Awarded: After the Travel Separation is awarded, OLOAs will be awarded by Occupational Seniority at each base dependent upon the projected overage at each base. The company will make every effort to transfer flying so as to accommodate the maximum number of Overage Leave requests that the operation of the airline will permit.

How to proffer: Use the Overage Leave ballot located on the Flight Service website.

Notes: Key Blocks will be awarded prior to Auxiliary Blocks. Please review the "Overage Leave Q and A" and "Overage Leave Employee Information Package" before proffering for an Overage Leave. Once awarded, Overage Leaves cannot be rescinded.

Any new Overage Leave which includes the month of March will actually begin on February 28, 2010. Flight Attendants that have a trip which touches February 28, 2010 will be removed from the trip so that the Overage Leave or Travel Separation begins on February 28, 2010.

Due to the numerous Auxiliary options available there is a possibility that equalization may occur if too many bids are received for one or more option. Please review the Overage Leave Details document for more information on equalization.

Key points to consider:

Q. If I am currently on an Overage Leave can I extend my leave by bidding for one of the Overage Leave options?

A. Yes. If you are currently on an overage leave that ends on March 31, 2010 you should bid Key Block A (MAR10-NOV10), Auxiliary Block B (MAR10-MAY10) or Auxiliary Block C (MAR10-AUG10) if you want to extend your current leave.

If your Overage Leave ends on May 31, 2010 you can bid for one of the options beginning in June.

Q. If I am currently on the PLOA which ends on March 31, 2010 can I bid for the Overage Leave options?

A. Yes. You can bid for any of the options being offered including those that begin with the month of March. You must be senior enough to hold the Overage Leave you are requesting and must meet the normal eligibility requirements for the Overage Leave you are requesting.

Q. What rate do I have to pay for my medical benefits while on Overage Leave?

A. If you commence an Overage Leave as a result of this proffer on or prior to February 28, 2010 you may be eligible for the ARRA COBRA subsidy for COBRA-eligible benefits. This means you would only pay 35% of the cost of your COBRA benefits. You will pay full rates for optional coverages (e.g. short term disability, prefunding, etc). This subsidy also applies to someone electing the Travel Separation Program (TSP) as long as the separation date is on or before February 28, 2010.

In addition Flight Attendants that are awarded an Overage Leave which results in a continuous Overage Leave that commenced after September 1, 2008 may be eligible for up to 15 months (previously 9 months) of COBRA subsidy.

If your Overage Leave commences after February 28, 2010 and you wish to maintain your company medical benefits while on OL you must pay the full cost (unsubsidized rate) of your benefits.

IMPORTANT INFORMATION CONCERNING MEDICAL BENEFITS FOR OL

If you want to find out how much the full cost of your insurance will be, contact Employee Services at 800-447-2000 or use the Live Chat option on Jetnet.

Certain benefits, such as Supplemental Medical, cannot be reinstated if you elect not to continue while on leave. Further you must maintain medical coverage in order to continue Supplemental Medical.

Q. What is meant by "may" be eligible for the subsidy?

A. According to the ARRA, you are not eligible for the subsidy if you are not taking active coverage from your employer on the day prior to the commencement of the Overage Leave or Travel Separation, if your modified adjusted gross income is greater than \$125,000 (\$250,000 for married filing jointly) or if you are eligible or become eligible for other group health plan coverage (e.g. a spouse, other employer, Medicare, or AA retiree medical). Please go to the DOL website for full details on the ARRA COBRA subsidy and eligibility criteria. <http://www.dol.gov/ebsa>

Q. How is my seniority affected if I take an Overage Leave (OL)?

A. Seniority is affected as follows:

- Occupational (Bidding) Seniority accrues for the duration of the OL
- Company (retirement eligibility/vacation accrual) Seniority accrues for the first 90 days of the OL
- Classification (Pay) Seniority does not accrue during an OL

Q. Will Flight Attendants on Overage Leave have the ability to travel on other airlines?

A. Yes, you retain all travel privileges, including ID90 & ZED travel on other airlines, while on an OLOA. Reciprocal cabin seat travel is not applicable.

Flight Attendants on OLOA remain dues obligated to APFA. Please contact the APFA Dues Department at dues@apfa.org or 817-540-0108 ext. 8154 to arrange payment during your leave.

3. Modified Partnership Flying (MPF)

Who's eligible: All active Flight Attendants. Flight Attendants who are SK/US, IOD or M4 must have a planned clear date of March 1, 2010 or earlier as of 1700 Central Time on January, 2010 to be awarded MPF.

Awarded: After Overage Leaves have been processed, Modified Partnership Flying will be offered at each base where a surplus still exists.

How to proffer: Use the Modified Partnership Flying ballot located on the Flight Service website.

Notes: Please review the "Modified Partnership Flying Packet", Attachment A of the June 24, 2009 Letter of Agreement and the MPF Q and A to ensure you fully understand the provisions of Modified Partnership Flying. These documents are posted on the APFA website.

Key points to consider:

Q. Do I need to find a partner for Modified Partnership Flying?

A. No. Partnership Flying has been modified to resemble the old Part-time. If you are awarded MPF you will bid your own line and fly the trips that touch your portion of the month.

Q. Is there a limit to the number of hours I can fly on MPF?

A. No. There is no limit to the amount of hours you can fly on MPF, however all of the flying must be done within your portion of the month. You cannot work in the off portion of the month.

Q. In which months will the upcoming Modified Partnership Flying be effective?

A. Modified Partnership Flying will be for the three month period beginning with the contractual month of March 2010 through and including the contractual month of May 2010. A Flight Attendant bidding MPF will resume a full schedule in June 2010.

Flight Attendants remain dues obligated during Partnership Flying. Half of your dues will be deducted from the paycheck you receive at the end of the month. Please do not put yourself in an arrearage situation. Contact the APFA Dues Department to arrange payment for the other half during the months you are in a Partnership. For your convenience you can leave a credit card number on file with APFA for automatic billing.

4. Article 30

Who's eligible: Flight Attendants at least 45 but not yet 55 years of age, provided they have at least 20 years of Company Seniority.

Awarded: The Company is giving consideration to waiving the normal six-month notice requirement for Article 30. If you desire to waive the six-month notice requirement please contact your Flight Service Manager. A request to waive the six-month notice requirement also means you will forfeit the right to cancel your election as outlined in Article 30.A.4.

Notes: Article 30 is literally Article 30 of the APFA/AA Contract. It is important to understand that you will never be considered a retiree of American Airlines for the purpose of retiree medical, life insurance or travel if you take Article 30. Your medical, life insurance and travel benefits would be strictly those stated in Article 30. You would not at a later date become eligible for full retiree benefits.

You would be entitled to your pension provided you were fully vested in the plan. Your pension would commence based on your age and years of credited service in the plan.

5. Normal Retirement

Please see the Retirement Made Easy booklet posted on the Retirement page of the APFA website.