

AmericanAirlines®

June 28, 2005

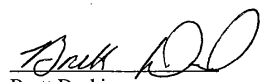
Brett Durkin
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Association of Professional
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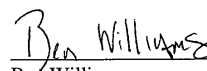
Re: Settlement Agreement - Presidential Grievance, SS-6-2004-APFA-1

This Letter of Agreement confirms our understanding of the full and final settlement of the above referenced dispute between the Association of Professional Flight Attendants (APFA) and American Airlines, Inc (the Company) regarding the calculation of the 2004 vacation award for Flight Attendants who reached a new Company Seniority threshold for vacation accrual in 2003.

1. The parties agree that Flight Attendants who reached 20 years of Company Seniority in 2003 will receive three (3) additional vacation days. Such Flight Attendants will have two (2) days added to their 2005 vacation accrual at the time of the 2006 vacation bidding period and one (1) day added to their 2006 vacation accrual at the time of the 2007 vacation bidding period.
2. The parties further agree that Flight Attendants who reached 5, 12, or 25 years of Company Seniority in 2003 will receive two (2) additional vacation days. Such Flight Attendants will have one (1) day added to their 2005 vacation accrual at the time of the 2006 vacation bidding period and one (1) day added to their 2006 vacation accrual at the time of the 2007 vacation bidding period.
3. The APFA will withdraw the above referenced grievance without prejudice.

The parties acknowledge that the discussions leading up to this settlement, and the settlement itself, represent a good-faith effort to collaboratively and cooperatively resolve this dispute in order to help further the working relationship between the parties.


Brett Durkin
Vice President
APFA


Ben Williams
Senior Principal
Employee Relations

Date: 6/30/05

Date: 6/30/05