

SECTION 24 - PRISONER AND HOSTAGE

A. BENEFITS FOR FLIGHT ATTENDANTS IN THE EVENT OF TERRORISM OR SABOTAGE

1. Death, Permanent Total Disability, Disfigurement, and Dismemberment Benefits

In the event of:

- a. the death of a Flight Attendant resulting from injury or illness incurred during acts of terrorism or sabotage; or
- b. the permanent total disability of a Flight Attendant resulting from injury or illness incurred during acts of terrorism or sabotage; or
- c. Disfigurement and Dismemberment
 - i. the permanent medical disqualification of a Flight Attendant by the Company,
 - ii. the complete loss by a Flight Attendant of sight or hearing,
 - iii. a Flight Attendant incurring any permanent bodily disfigurement that will cause the Flight Attendant in the judgment of the Company to not meet its appearance standards, or
 - iv. the loss of both hands, or both feet, or one hand and one foot, or one hand and sight of one eye, or one foot and sight of one eye, resulting from illness or injury incurred during acts of terrorism or sabotage:

The Company shall pay or cause to be paid, subject to the conditions set forth in Paragraphs A.3 and A.4, five hundred thousand dollars (\$500,000) for death or for the conditions specified in Paragraphs A.1.b and A.1.c, caused by or resulting from any acts of terrorism or sabotage or counteraction to such acts of terrorism or sabotage, to such Flight Attendant if she/he is alive, otherwise to her/his designated beneficiary under the Company's Group Life Insurance Plan. In no event will more than one lump sum payment of five hundred thousand dollars (\$500,000) be made per covered Flight Attendant. "Permanent total disability" shall mean the complete inability of the Flight Attendant to perform any and every duty pertaining to any occupation or employment for remuneration or profit for the remainder of the Flight Attendant's life. "Loss", with respect to sight and hearing, shall mean entire and irrecoverable loss of such sight or hearing; with respect to hands or feet, loss shall mean actual severance through or above the wrist or ankle joints. In the event the Flight Attendant is killed, incurs a loss, is permanently medically disqualified, suffers permanent bodily disfigurement, or becomes permanently and totally disabled, as provided above, the payments under Paragraph A.1, shall be five hundred thousand dollars (\$500,000), and such benefits shall be in addition to any benefits provided in other Company plans and payments made pursuant to State Workers Compensation Laws.

2. Temporary Occupational Disability Benefits

In the event a Flight Attendant is temporarily disabled due to an injury or illness arising out of or suffered in connection with acts of terrorism or sabotage while on flight duty or paid layover, the Company shall pay for the period of disability, up to a maximum of twelve (12) months, monthly compensation at the rate of pay set forth in Paragraph A.9. Such payment will be less weekly indemnity benefits received under applicable State Workers Compensation Laws and any payments made under the Long Term Disability Plan.

Notwithstanding the provisions of Sick Leave, Section 9, such Flight Attendant will not be charged sick leave during such twelve (12) month period.

3. Applicability

The payments provided by the provisions of Paragraph A.1, shall be applicable to any Flight Attendant only when the conditions set forth in Paragraphs A.1.a, A.1.b, and A.1.c, as applicable, or the injury or illness which leads to such casualty, occurs as a result of acts of terrorism or sabotage or military counteraction of any government, agency or organization while such Flight Attendant is inside or outside the United States, and while she/he is on flight duty or paid layover.

4. Exclusions

Benefits payable under Paragraphs A.1, A.2, A.5, and A.6, shall not be applicable to a Flight Attendant when death, or a condition set forth in Paragraph A.1.c or A.2, as applicable:

- a. is intentionally self-inflicted; or
- b. is contracted, suffered or incurred while such Flight Attendant was engaged in a criminal enterprise, or results from her/his having engaged in a criminal enterprise.

5. Workers Compensation Benefits

A Flight Attendant who is killed or injured during acts of terrorism or sabotage while on flight duty or paid layover will be covered for Workers Compensation benefits as prescribed by the state or territory in which such Flight Attendant's base station is situated. For a Flight Attendant who is killed, these benefits shall be in addition to other benefits to which a Flight Attendant's beneficiaries or representatives may be entitled, such as:

- a. Any basic or elected optional life insurance benefits available under the Company's Group Life Insurance Plan;
- b. The death benefits provided under the Company's Retirement Benefit Plan, if applicable;
- c. The death benefits available under any Personal Accident policy, if applicable;
- d. The death benefits provided under Paragraph A.1.

6. Missing, Internment, Prisoner or Hostage Benefits

- a. A Flight Attendant who is missing because of acts of terrorism or sabotage committed against such Flight Attendant while she/he is on flight duty or paid layover, shall be paid monthly compensation as set forth in Paragraph A.9, for a maximum period of twelve (12) months after her/his disappearance or until death is established, whichever occurs first. When such Flight Attendant has been missing for twelve (12) months, the Company will aid the beneficiary in obtaining legal proof in order that death benefits under Company plans (including the Company's Retirement Plan, if applicable) can be paid, consistent with applicable state law.
- b. A Flight Attendant, who is interned or taken prisoner or hostage as a consequence of terrorism or sabotage while on duty or paid layover shall be paid monthly compensation as set forth in Paragraph A.9, for the period during which she/he is known to the Company to be interned or held prisoner or hostage. Such payments will cease, however, when such Flight Attendant's release or death is established.

c. When, under the provisions of Paragraph A.6.a or A.6.b, a Flight Attendant has been missing for a period of twelve (12) months, or in the event no information is received by the Company for twelve (12) continuous months that an interned, imprisoned or hostage Flight Attendant is alive, the death benefits provided under Paragraph A.1, shall be paid. If such Flight Attendant is later found to be alive, compensation as set forth in Paragraph 6.b, will be paid retroactively from the time that monthly payments ceased, less any death benefits paid under Paragraph A.1, which were paid to the beneficiary, up to the time released. Any death benefits not recovered per the above offset will be repaid by the beneficiary to the Company upon its demand.

7. Benefit Assignments

a. The monthly compensation allowable under Paragraph A.6, to a Flight Attendant interned, missing, held hostage or prisoner, shall be credited to such Flight Attendant on the books of the Company and shall be disbursed by the Company in accordance with written directions from her/him. The Company shall require each Flight Attendant to execute and deliver to the Company a written direction in the form hereinafter set forth. The Company shall, as soon as practicable, require all Flight Attendants to execute and deliver to the Company such written directions. The direction referred to shall be in, substantially, the following form:

"To: American Airlines, Inc.

"You are hereby directed to pay all monthly compensation allowable to me under Section 24.A.6. contained in the current Agreement between American Airlines, Inc. and the Association of Professional Flight Attendants, while interned, held prisoner or hostage, or missing, as follows:

Initially, to _____, _____,
(Name) (Address)
as long as living, and thereafter to _____,
(Name)
_____ as long as living, and thereafter to
(Address)
_____, _____,
(Name) (Address)
as long as living.

"The balance, if any, and any amounts accruing after the death or legal determination of death of all persons named in the above designations shall be held for me or, in the event of my death before receipt thereof, shall be paid to the legal representative of my estate.

"The foregoing directions may be modified from time to time by letter signed by the undersigned, and any such modification shall become effective upon receipt of such letter by the Company.

"Payments made by the Company pursuant to this direction shall fully release the Company from the obligation of making any further payment with respect thereto.

(Flight Attendant Signature)
Date: _____ Employee No. _____"

b. Any payments due to any Flight Attendant under this provision which are not covered by a written direction, as above required, or as provided in Paragraph A.1, shall be held by

the Company for such Flight Attendant and, in the event of her/his death or legal determination of death, shall be paid to the legal representative of her/his estate.

8. Seniority

Flight Attendants shall maintain and continue to accrue all seniority and longevity for pay purposes during periods in which they are interned, held prisoner or hostage, or missing because of acts of terrorism or sabotage.

9. Monthly Compensation Definition

"Monthly compensation" as used in Paragraphs A.2, A.6, and, A.7, is defined as the applicable monthly schedule maximum payable at the Flight Attendant's rate of pay and Operation status with subsequent negotiated increases to be included. Further, a Flight Attendant receiving such monthly compensation shall not be treated less favorably than any other Flight Attendant in that she/he shall be the recipient of all future negotiated benefits. Paragraph A.9 will have no effect on payments made under the Company LTD Plan.

10. Relationship With Other Provisions

Any payments made under the provisions of Section 24 will be in lieu of any and all other payments provided for under the Agreement, except as specifically noted in the provisions of Section 24.