American Airlines[®]

July 25, 2011

Laura R. Glading, President Association of Professional Flight Attendants 1004 W. Euless Blvd. Euless, TX 76040-5018

Re: Discontinuation of International Flying at SFO

Dear Laura

This letter will confirm our discussions, understanding and agreement with respect to the relocation of Flight Attendants affected by the discontinuation of international flying at SFO. I am pleased the Company and the APFA were able to work together on this outcome.

All active and inactive SFO-I based Fight Attendants will have the opportunity to bid for a new base, including SFO, using an online base preference form. All bases will be available for bid with the exception of BOS-I, BOS, RDU, and SLT. The Company will award base preferences in seniority order based on the availability of slots at the individual bases. All SFO-I based Flight Attendants who are awarded a bid to another international base will be required to obtain qualifications for the new base as if they had accepted a proffer to that bid status.

SFO-I Flight Attendants will be eligible for mutual transfers from their awarded base which will be paired on July 31, 2011, for an effective date of August 31, 2011.

All current SFO-I based Flight Attendants shall retain reinstatement rights to SFO-I for a period of three (3) years from the September 6, 2011, discontinuation of International flying at SFO.

A Proffered Leave of Absence (PLOA) will be offered for interested Flight Attendants for the months of September – November 2011.

Additionally, all active and inactive SFO-I based Fight Attendants who wish to relocate in conjunction with their new base assignments will be eligible for reimbursement of moving expenses in accordance with Article 18 – Moving Expenses, of the AA/APFA Agreement.

Due to the unique circumstances surrounding the discontinuation of flying at SFO-I, this agreement is made on a non-precedent setting basis, and it is understood that the provisions of the AA/APFA Collective Bargaining Agreement, except as specifically modified or excepted by this letter, shall apply in all respects.

Taylor M. Valughh Managing Director Employee Relations

Sincerely.

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Agreed to by:

Laura R. Glading, President Date 8-1-//

Association of Professional Flight Attendants

CC:

Denise Lynn Frank Campagna Brett Durkin Patte Moore