LETTER OF AGREEMENT between AMERICAN AIRLINES, INC. and the

Aviation Maintenance Technicians and Plant Maintenance and related employees, Stock Clerks, Maintenance Training Specialists, Fleet Service and Maintenance Control Technicians

> in the service of AMERICAN AIRLINES, INC., as represented by the TWU/IAM Mechanic, Fleet and Stores Association

PILOT SUPPLY PROGRAM LEAVE OF ABSENCE

THIS LETTER OF AGREEMENT ("LOA") is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC. ("American" or the "Company") and the employees as listed above in the service of AMERICAN AIRLINES, INC., as represented by the TWU/IAM Mechanic, Fleet and Stores Association ("Union" or the "Association"), with both the Company and Association referred to as "the parties."

WHEREAS, American recognizes a need to ensure a strong supply of qualified pilots and has implemented several pilot supply program initiatives, including the Cadet Academy and the Career Advancement Program, ("Pilot Supply Programs") to assist individuals outside the Company obtain the necessary training and experience to qualify for pilot positions at the Company;

WHEREAS, American seeks to provide the same opportunities to the employee groups listed above to participate in the Company's Pilot Supply Programs, however, employees will need time away from work to participate and current leaves of absences offered by the Company may disincentive employees from such participation; and,

WHEREAS, the parties acknowledge that providing certain employment benefits as part of a leave of absence specific to employees participating in one or more of the Company's Pilot Supply Programs would allow adequate time away from work, and would avoid employees for taking such leave, to participate in the Pilot Supply Programs;

NOW THEREFORE, the parties agree as follows:

When employees are granted a leave of absence for the purpose of participating in one or more of the Company's Pilot Supply Programs, the parties agree that the benefits specified below shall apply while on such leaves.

- A. Seniority. An employee shall retain and continue to accrue Occupational/Classification and Pay seniority while on leave. Employees will also retain and continue to accrue Company seniority while on leave. If during this leave, an employee's Company Seniority progresses them to earn additional vacation, the employee will be eligible for that additional vacation progression if he returns to his former position.
- B. Benefits. Basic coverage of Medical, Dental, and Basic Life Insurance will continue for the duration of the leave. In accordance with Company policy, a portion of the costs shall be paid by the employee on leave. Any optional coverage benefits shall continue for the duration of the leave so long as the employee electing such coverage continues to make the required payments.
- C. Non-Revenue Travel Benefits. Pass travel benefits provided pursuant to Company policy will continue as if the employee is an active employee for the duration of the leave.

The parties agree that the provisions of the July 18, 2014 and September 12, 2012 Collective Bargaining Agreements between American Airlines, Inc. and the IAM and TWU shall apply in all respects, except as specifically modified or excepted by this letter or the respective JCBA in effect at the time.

IN WITNESS WHEREOF, the parties have signed this Agreement this 17th day of January, 2019.

FOR THE TWU/IAM Association FOR THE COMPANY

Mike Mayes

International Vice President

Transport Workers Union

James B. Weel

MD - Labor Relations

Timothy Klima

Airline Coordinator

IAMAW