American Airlines[®]

February 17, 2005

Tommie L. Hutto-Blake President Association of Professional Flight Attendants 1004 W. Euless Blvd. Euless, TX 76040-5018

Re: Buy-on-Board Commission Program

Dear Tommie:

This letter will confirm our understanding with respect to the implementation of a test period for the payment of commissions to flight attendants for the sale of buy-on-board (BOB) food products in flight.

- 1. The BOB sales commission test period will run from February 1, 2005 through July 31, 2005. Flight attendants eligible to receive a BOB sales commission are those flight attendants assigned to main cabin positions on any flight on which the Company elects to sell BOB food products. A commission of 10% of total BOB sales on an eligible flight will be shared equally by eligible flight attendants working that flight. Such commission will be paid on the mid-month paycheck.
- 2. It is understood that the parties may choose to extend, alter or make permanent this agreement.
- 3. Neither the implementation nor administration of the BOB sales commission test program is intended to create or establish any employer-employee relationship between the flight attendants and any vendor.
- 4. The parties agree that the commission program test does not constitute part of the collective bargaining agreement between American and the APFA; and American acknowledges APFA's position that by entering into this letter of understanding APFA is not waiving any rights it has under the collective bargaining agreement to dispute staffing levels on flights on which BOB products are sold.

Nothing in this letter is intended to prevent American from modifying or eliminating the Buy-on-Board program should competitive or other conditions warrant.

Please indicate your agreement by signing and returning a copy of this letter to me.

Taylor M. Vaught Managing Director

Employee Relations

Agreed to by:

Tommie L. Hutto-Blake

President, APFA