

ARTICLE 36 - RETIREMENT BENEFIT PLAN FOR FLIGHT ATTENDANTS

The following is included in the Retirement Benefit Plan for Flight Attendants:

A. EARLY RETIREMENT

- 1. For an employee retiring early on or after the first day of the month next following September 12, 2001 and who is on the Flight Attendant System Seniority List as of September 12, 2001:
 - a. An employee member whose benefits commence on or after the first day of the month next following September 12, 2001 shall be eligible for early retirement benefits before the Normal Retirement Date on or after attaining the earlier of (a) age 55 and completing 15 years of credited service, or (b) age 60 and completing 10 years of credited service.
 - b. For an employee member so eligible for early retirement benefits, the monthly pension benefits, determined as of early retirement date, will be reduced by three percent (3%) for each year of payment before the Flight Attendant attains age 60, as follows:

Age	60	1.00
	59	.97
	58	.94
	57	.91
	56	.88
	55	.85

- 2. For an employee retiring early on or after September 1, 1978 who is not on the Flight Attendant System Seniority List as of September 12, 2001 and whose benefits commence before the first day of the month next following September 12, 2001:

The table of actuarial reduction from age 62 for early retirement will be based on 3% per year as follows:

Age	62	1.00
	61	.97
	60	.94
	59	.91
	58	.88
	57	.85
	56	.82
	55	.79

B. VESTING

Effective January 1, 1989 the Company amended the Flight Attendants Benefit Plan to improve the vesting schedule under the Plan from the then present 50% after five (5) years of Vesting Service to a maximum of 100% after ten (10) years of Vesting Service to 100% vesting after five (5) years of Vesting Service. This new vesting schedule is effective for all Flight Attendants who complete at least one Hour of Service (as defined in the Plan) on or after January 1, 1989.

C. FINAL AVERAGE SALARY FORMULA FOR MEMBERS RETIRING ON OR AFTER SEPTEMBER 1, 1980

For an employee member retiring on or after September 1, 1980, the Final Average Retirement Benefit formula is one and two-thirds percent (1-2/3%) of the member's Final Average Compensation multiplied by the member's total years and completed months of Credited Service in the Plan. For example, a member retiring at age 65 with thirty (30) years of Credited Service

under the Plan and a Final Average Compensation of \$50,000 would receive an annual pension of:

$$1\text{-}2/3\% \times \$50,000 \times 30 = \$25,000$$

D. FINAL AVERAGE RETIREMENT FORMULA: FOR MEMBERS RETIRING ON OR AFTER SEPTEMBER 1, 1978, BUT BEFORE SEPTEMBER 1, 1980

For an employee member who retired on or after September 1, 1978, but before September 1, 1980, the Final Average Retirement formula is one and three-fifths percent (1-3/5%) of the member's Final Average Compensation, multiplied by the member's total years and completed months of Credited Service in the Plan. For example, a member who retired during this time at age 65 with thirty (30) years of Credited Service under the Plan and a Final Average Compensation of \$50,000 would receive an annual pension of:

$$1\text{-}3/5\% \times \$50,000 \times 30 = \$24,000$$

E. MINIMUM BENEFITS

For an employee member retiring on or after September 1, 1978, the monthly Minimum Benefit for years of participation will be:

$$\text{Flight Attendants:} = \$23.50$$

F. CONTRIBUTIONS TO PLAN

The cost of providing the retirement benefits of the Plan will be borne by the Company.

G. QUALIFIED PRE-RETIREMENT SURVIVOR ANNUITY (QPSA)

For Flight Attendants on the Flight Attendant System Seniority List as of September 12, 2001, there will be no charge for coverage under the pre-retirement survivor annuity.

H. MEMBERSHIP IN THE PLAN

1. An employee will become a member of the Plan on the first day of the month coincident with or next following her/his completion of one (1) year of service.
2. Effective November 1, 1993, the Retirement Benefit Plan of American Airlines, Inc. for Flight Attendants was amended to provide Credited Service for any periods of employment during which the employee would have accrued Credited Service if the age 25 eligibility restriction had not existed in previous years. Credited Service for Flight Attendants who were on active payroll and Flight Attendants who were on an approved leave of absence on November 1, 1993, shall be counted from the January 1st or July 1st following the completion of one (1) year of Company service. A Flight Attendant who retired or terminated from the Company prior to November 1, 1993, shall not receive this adjustment to her/his Credited Service.

I. FINAL AVERAGE COMPENSATION FOR FLIGHT ATTENDANTS ON THE FLIGHT ATTENDANT SYSTEM SENIORITY LIST AS OF SEPTEMBER 12, 2001 AND WHOSE BENEFITS COMMENCE ON OR AFTER THE FIRST DAY OF THE MONTH NEXT FOLLOWING SEPTEMBER 12, 2001

1. Effective September 12, 2001, the Company shall amend the Flight Attendants' Retirement Benefit Plan to provide that Final Average Compensation shall be determined by taking the average of the highest paid forty-eight (48) consecutive calendar months out of the one hundred twenty (120) consecutive calendar months of plan participation preceding the date

of retirement, disability, death or termination of employment disregarding any month in which the Flight Attendant did not perform duties (or receive credit) for which the Flight Attendant would be entitled to receive pay.

2. Effective September 12, 2001, the Company shall also amend the Flight Attendants' Retirement Benefit Plan to provide that in addition to the pay currently included for purposes of determining pensionable pay, the following shall also be included: longevity pay, narrowbody lead pay, language pay, galley pay, purser pay, lump sums, retroactive pay, and base and incentive pay for up to 1,020 paid flight hours per year regardless of which operation in which the Flight Attendant serves during each applicable calendar year, provided that paid flight hours of service paid to the Flight Attendant at incentive rates in excess of 216 will be credited for this purpose, and only this purpose, at base rates. With the exception of the base and incentive hours caps, all of this subparagraph 2 will be effective prospectively only for such payments received (longevity pay, narrowbody lead pay, language pay, galley pay, and purser pay) effective the 1st day of the contractual month following the date of ratification. The base and incentive hours cap will be effective for Flight Attendants who retire on or after the 1st day of the contractual month next following the month of ratification, and will apply to base and incentive hours worked during the highest consecutive forty-eight (48) consecutive months of pay out of the final one hundred twenty (120) consecutive months of pay, in the period preceding the 1st day of the contractual month next following the date of ratification of this Agreement, if such hours fall within the definition of Final Average Compensation.

J. FINAL AVERAGE COMPENSATION FOR FLIGHT ATTENDANTS RETIRING ON OR AFTER MARCH 23, 1994 AND WHOSE BENEFITS COMMENCED BETWEEN MARCH 23, 1994 AND UNTIL THE LAST DAY OF SEPTEMBER, 2001

1. Effective March 23, 1994, the Company amended the Flight Attendants' Retirement Benefit Plan so that for Flight Attendants who terminated employment on or after March 23, 1994, and who retired on or after that date, the definition of the Final Average Compensation component in the Final Average Retirement Benefit Formula was changed from the previous maximum of seventy-five (75) hours per month to a Domestic maximum of seventy-seven (77) hours per month and an International maximum of eighty-two (82) hours per month. For purposes of both the Domestic and International maximums under this amendment, the first sixty-seven (67) hours per month shall be calculated at hourly base rates of pay. All pensionable hours between sixty-eight (68) hours per month and the maximum of seventy-seven (77) or eighty-two (82) hours per month, as applicable, shall be calculated at hourly incentive rates of pay.

The Company shall make every reasonable effort to obtain historic pay and flight time hourly records to calculate the Final Average Compensation component based on this definition. For any month prior to March 23, 1994 for which the Company cannot obtain pay and/or flight time hourly records, seventy-one (71) hours shall be used. The seventy-one (71) hours shall consist of the appropriate number of base hours at the applicable historic hourly base rates of pay and the appropriate number of incentive hours at the applicable historic hourly incentive rates of pay.

2. The Company also amended the Flight Attendants' Retirement Benefit Plan prospectively effective as of March 23, 1994, to include Purser monthly premiums earned on or after March 23, 1994, for purposes of the definition of Final Average Compensation.

K. BENEFITS - FORMS OF PAYMENT

Monthly pension benefits are paid for life, if the Flight Attendant has no spouse as of the date payments begin, or if the Flight Attendant is married and if the spouse so consents. Otherwise, benefits are paid in the form of the fifty percent (50%) joint and survivor annuity option or, if the

Flight Attendant so elects and the spouse consents, another actuarial equivalent optional form offered by the plan, including without limitation, the incorporation into any joint and survivor annuity option offered under the plan of a feature that provides an unreduced annuity to the Flight Attendant for remainder of the Flight Attendant's life in the event that the Flight Attendant's spouse predeceases the Flight Attendant after the joint and survivor annuity commences.

L. AMENDMENTS TO THE PLAN

1. The Retirement Benefit Plan will not be amended in any way that materially affects the benefits provided to, or the cost imposed on, Flight Attendants without the consent of APFA unless the amendment:
 - a. Is necessary to keep the plan in compliance with applicable law or to maintain the tax-qualified or tax-exempt status of the plan to the extent that such tax status is applicable and intended by the plan's terms; or
 - b. Relates to the selection and retention of service providers under the plan; or
 - c. Is provided for by any of the provisions of this Article 36.
2. The Company otherwise may amend the plan that it maintains in any manner that does not materially affect the benefits provided to, or the cost imposed on, Flight Attendants.

M. AMENDMENTS TO THE \$UPER\$AVER - A 401 (k) CAPITAL ACCUMULATION PLAN FOR EMPLOYEES OF PARTICIPATING SUBSIDIARIES OF AMR CORPORATION

1. **Effective Date.** All amendments described in this Article 36.L. will be effective as of the date of ratification of this Agreement.
2. **Contributions - Vacation Accruals.** As soon as administratively practicable after the first day of the vacation bidding fiscal year (currently May of each year), the Company will contribute to the Flight Attendant's account amounts attributable to vacation accruals which, pursuant to Article 6.P., the Flight Attendant has elected prior to the beginning of the vacation bidding fiscal year to have converted to a cash contribution to the plan.
3. **Contributions - Sick Pay Accruals.** Subject to the limitations imposed on tax qualified plans, and as soon as administratively practicable after a Flight Attendant retires with the Company, the Company will make a contribution to the Flight Attendant's account in the amount of \$3.75 multiplied by the number of hours in the Flight Attendant's sick leave bank as of the date that the Flight Attendant terminates service, up to a maximum contribution of three thousand seven hundred and fifty dollars (\$3,750).
4. **4. Non-Incorporation.** The SuperSaver 401(k) Capital Accumulation Plan for Employees of Participating Subsidiaries of AMR Corporation is not incorporated into this Agreement.