

JULY 2020 VOLUNTARY EARLY OUT PROGRAM (VEOP – No Lump Sum)
SEVERANCE AGREEMENT AND GENERAL RELEASE OF CLAIMS

American Airlines, Inc. (“American” or “Company”) has offered a July 2020 Voluntary Early Out Program with 12 months of severance payment (“VEOP”) in which the undersigned employee (“Employee”) has opted to participate. American and Employee thus agree to the following terms and conditions:

1. Employee hereby confirms that he/she has given his/her resignation from American by opting to take the VEOP and that he/she understands the resignation is irrevocable. Employee understands and agrees that for the purposes of receiving the benefits described in the VEOP and General Release of Claims (“General Release”) only, he/she will be placed on leave of absence status for the twelve (12) months following commencement of the VEOP. At the conclusion of the twelve (12) month leave of absence, Employee will be separated from American.
2. American will provide the following benefits under the VEOP:
 - a. 38:00 hours of pay per month at Employee’s applicable JCBA hourly rate at the time of the commencement of the VEOP only (i.e., Section 3.A), less applicable tax withholdings, for a period of twelve (12) months beginning on the date the VEOP commences. Such pay will be divided and paid out on the pay dates provided in Section 3.N.1 & 3 of the JCBA. Pay will be subject to tax withholding as required by law. The base rate of pay will not change during the course of the twelve (12) month payout period.
 - b. Medical, dental and vision benefits at active rates for twelve (12) months following the commencement of the VEOP.
 - c. Following the twelve (12) month period described in Paragraph 2.b., Employee will continue to receive medical, dental, and vision coverage at active employee rates administered through COBRA for a period of eighteen (18) additional months. If at any point during the period of COBRA eligibility Employee or her/his spouse becomes eligible for Medicare, Medicare will become the primary benefit.
 - d. A one-time allotment of eight (8) round trip positive space passes (E Inventory) to be used within five (5) years of the commencement of the VEOP.
 - e. For a period of twelve (12) months after the commencement of the VEOP, travel privileges as though active pursuant to Company policy.
 - i. If 65-point eligible as of the date of separation from the Company, retiree travel privileges in accordance with Company policy.
 - ii. If not 65-point eligible as of the date of separation from the Company, twenty-four (24) months of travel privileges at an amended D2R status, in accordance with Company policy, beginning on the date of separation from the Company. This includes D2R travel privileges for Employee, spouse/domestic partner/registered companion, and qualified children only. This does not include an allotment of D1s or D3s, OAL or parent travel.
 - f. Employee will not accrue vacation or sick time after commencement of the VEOP. Any accrued and unused vacation not used as a result of Employee’s VEOP will be paid out no later than the 15th of the subsequent month following Employee’s separation from the Company unless otherwise required by law. Payment for accrued and unused sick time, if at all, will be paid out will be paid out pursuant to JCBA Section 26.D.5, if eligible.
 - g. For Flight Attendants With 65 Points ONLY – Retiree Health Reimbursement Arrangement (“RHRA”) – For those Flight Attendants who meet all eligibility requirements of the VEOP and who have 65 points under the 65-point plan as of the date of retirement from the Company, the Company will establish a Retiree Health Reimbursement Arrangement (“RHRA”) for the Flight

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Attendant, as soon as is administratively practicable following the Flight Attendant’s retirement from the Company, and credit to a notional HRA the value indicated in the chart below. The RHRA credits may be used for qualified medical expenses, as that term is defined in Code Section 213(d), for any qualified medical plan. The RHRA credits may only be used to reimburse a Flight Attendant for unreimbursed, substantiated, qualified medical expenses, and qualified premiums as specified in Code Section 213(d) of the Flight Attendant and/or eligible dependents up to the Flight Attendant’s RHRA credit balance. Upon retiree’s death, the Flight Attendant’s surviving spouse is eligible to continue to use any remaining credits, and may use such credits for eligible dependent qualified expenses. All RHRA credits will be forfeited: (1) upon death of retiree Flight Attendant with no surviving spouse; (2) upon death of surviving spouse who became eligible to continue RHRA usage after death of retiree; and (3) if retiree Flight Attendant is rehired by American Airlines. The RHRA must comply with all applicable laws and regulations. The Company will be responsible for drafting and maintaining the RHRA plan documents(s), will have discretion over all plan-related items not addressed in this General Release, and will be responsible for any operating costs associated with the RHRA. The Company shall have the right to amend any provision of the HRA plan that is required by applicable law or is necessary to maintain the tax qualified status of the plan.

Years (Y) Until Employee Medicare Eligible (as of Retirement Date)	RHRA Credit Value
Y > 4	\$150,000
3 < Y <= 4	\$140,000
2 < Y <= 3	\$130,000
1 < Y <= 2	\$120,000
Y <= 1	\$110,000
Medicare Eligible as of Retirement Date	\$100,000

3. In exchange for the consideration described above, Employee releases and forever discharges, and covenants not to sue, American, its parent American Airlines Group, Inc. (“AAL”), its subsidiaries, affiliated corporations, successors and assigns, and each of their respective officers, directors, shareholders, employees and agents (“Releasees”), from any and all claims, grievances, liability, demands and causes of action of every nature, kind and character, known and unknown, which have or may have arisen or accrued prior to the date of execution of this General Release by reason of my employment with American Airlines, Inc., or by reason of the circumstances surrounding my separation from employment with American Airlines, Inc., including without limitation any and all claims in law or equity under federal, state or local authority including without limitation, claims for wrongful discharge, breach of contract, harassment, torts, fraud, negligence, personal injury, lost income, defamation, emotional distress, or discrimination based on age, sex, race, color, creed, religion, handicap, disability, national origin, or any other characteristic protected by law, as well as, without limitation any and all claims under the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, the Civil Rights Act of 1991, the Equal Pay Act, the Americans with Disabilities Act, the Rehabilitation Act, the Worker Adjustment and Retraining Notification Act, the Family and Medical Leave Act, the Employment Retirement Income Security Act (ERISA), Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR21), the Fair Labor Standards Act, the Employment Retirement Income Security Act, the Fair Credit Reporting Act; any claims for employment, back pay, salary continuation, seniority, or any other benefits except those specified herein, damages, attorneys’ fees and other costs; any claim under any other federal law, and

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applicable state or local laws or ordinances, any claim for breach of contract, breach of covenant of good faith and fair dealing, and any tort claim, as well as any other claim, whether known or unknown, arising by any reason up to the date of this General Release unless otherwise prohibited by law or regulation. This General Release does not include claims for benefits under the workers' compensation laws or unemployment compensation laws of any state. I further agree that this General Release shall be binding upon myself, my legal representatives, heirs, successors, and assigns.

4. Employee represents that he/she has not filed (nor will file) any lawsuits, grievances, complaints, claims (including those filed with any administrative agency), charges, or other legal action with any court, government agency, or other forum relating to any claims being released in this General Release, and, to the extent such a lawsuit, grievance, complaint, claim, charge, or other legal action has been filed, it will be withdrawn, with prejudice, within 10 days of execution of this General Release by the Company. This General Release does not prevent Employee from filing a claim or charge with a federal, state, or local governmental agency charged with enforcing anti-discrimination laws or from participating in any such claim or charge already filed. This General Release, however, is in full satisfaction of, and a total and complete bar to, any remedy that any federal, state, or local governmental agency or any person may seek to impose (including any remedy sought to be imposed on my behalf) against the Company or Releasees in any proceeding based on any alleged discrimination or other alleged unlawful conduct.
5. Employee understands that by selecting the July 2020 Voluntary Early Out Program, receiving the benefits outlined in Paragraph 2, and executing this General Release, he/she will not be eligible to be rehired, reemployed, or reinstated by American and agrees that American has no obligation, contractual or otherwise, to reemploy or reinstate Employee in the future. Employee also understand that he/she shall not be eligible for any other form of severance and shall be permanently separated from employment with the Company.
6. Employee agrees to return to the Company all Company property in his/her possession or control including, but not limited to, identification badges, manuals, tablets, equipment, keys, and all documents made or kept by relating to the business of the Company.
7. This General Release will be construed and governed exclusively by the Railway Labor Act, and any disputes which arise between the Parties in regard to the interpretation and/or application of this General Release shall be subject to the grievance and arbitration provisions in Articles 30 and 31 of the JCBA.
8. This General Release constitutes and contains the entire agreement and understanding between the Parties concerning Employee's participation in the VEOP and supersedes and replaces any prior negotiations and/or all agreements, proposed or otherwise, whether written or oral, concerning the VEOP and General Release.
9. Employee acknowledges and agrees that he/she has been advised that this General Release is a final and binding legal document, that he/she has had reasonable and sufficient time and opportunity to consult with an attorney of his/her own choosing before signing this General Release, and that in signing this General Release he/she has acted voluntarily and of his/her own free will and has not relied upon any representation made by American or any of its agents, employees or representatives regarding the subject matter or effect of this General Release.

Signatures on following page.

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Employee Signature Date

Print Name Employee Number

AMERICAN AIRLINES, INC.

By:

Date
Manager – Human Resources
Compliance

Please sign and return to:
Manager – Human Resources Compliance
American Airlines People Department – HR Compliance
I Skyview Drive
Fort Worth, TX 76155