

December 19, 2006

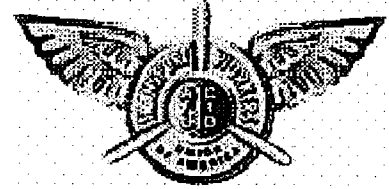
Re: Line Maintenance Partnership Agreement

Last Thursday the TWU and the Line Maintenance organization further committed to the “working together” process with the signing of a letter of agreement regarding involuntary loss of jobs resulting from improved productivity and from efficiencies gained through our joint processes.

The TWU/Line Maintenance agreement closely aligns with agreements in place at the AFW, MCI, and TUL bases. We have been given a unique opportunity to grow the Line Maintenance business through third-party work as our own internal work continues to decrease due to changes in our programs and our operations. It is clear that acting as a single and united Maintenance and Engineering organization and working together are critical components to becoming a world-class maintenance provider.

There is still much work to do, and the road will not always be smooth, but we are committed to working together and will continue to Involve, Discuss, and Share as we move ahead into the new year.

Danny Martinez
Vice President
Line Maintenance



Line Maintenance Partnership Agreement

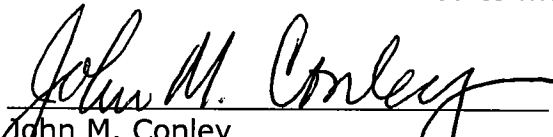
In today's aviation environment carriers are causing substantial loss of jobs for their employees by rapidly outsourcing maintenance work to third party providers. In Line Maintenance, the TWU and the Company, believe those actions are shortsighted. We have already seen evidence that by utilizing the ideas, talents, knowledge and skills of all our employees, we can provide competitive aircraft maintenance performance second to none.

While nothing can fully ensure our future in the face of outside forces and the kind of circumstances which have created havoc in the airline industry, we believe our success lies in union and management joining together to establish Line Maintenance as the "World Class Aviation Maintenance provider" of services to our customers. Together, we will accomplish this through our working together initiatives and continuous improvement processes by improving efficiencies, maximizing capacity, increasing productivity, and maintaining high quality. This jointly led union/management effort is based on our mutual commitment to create a new era in labor management relations and employee involvement in our Line Stations

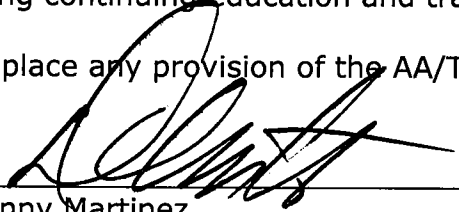
We jointly recognize that employee concerns, regarding loss of employment, and station de-staffing are legitimate and that during periods of declining business conditions we have a mutual objective and obligation to preserve the 'station foot print' and employment security of all Line Maintenance employees. We cannot expect employees to enter into this process change without assurances that they will not lose their employment as a result of these changes. Therefore, we jointly agree that while headcount may fluctuate due to attrition, there will be no involuntary loss of employment or station de-staffing as a direct result of efficiencies gained through this joint process.

The success of our partnership is based on all employees being fully committed to accept their obligation to actively participate in these change efforts. As leaders, we acknowledge our mutual responsibility to gain a greater understanding of subjects previously thought to be solely the responsibility of union or management. These partners are also committed to developing the business skills of all our employees by providing continuing education and training.

This memorandum is not intended to modify or replace any provision of the AA/TWU Agreement.



John M. Conley
AA System Coordinator
TWU International Representative



Danny Martinez
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American Airlines, Inc.



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12-14-06
Date