

AMENDMENT TO LETTER OF AGREEMENT #5

ENHANCED CAREER OPPORTUNITIES II

among

AMERICAN AIRLINES, INC.

and

PSA AIRLINES INC.

and

THE AIRLINE PILOTS

in the service of

PSA AIRLINES INC.

as represented by

THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

This Letter of Agreement (this "Agreement") is made and entered into among American Airlines, Inc. ("American"), PSA Airlines Inc. ("PSA") (together, "the Airline Parties"), and the pilots in the service of PSA as represented by the Air Line Pilots Association, International (the "Association" or "ALPA") (collectively, the "Parties").

The Parties hereby agree to rescind and revoke in their entirety paragraphs 5.a. and 5.d. of Letter of Agreement (LOA) #5 Enhanced Career Opportunities II, executed on November 17, 2015, and, beginning on February 1, 2018, replace them with the following provisions:

•5. **American Offer Commitment**

a. American's Offer Commitment, as described below, will begin with the first offer American makes to any pilot to fill a New Pilot Position beginning on February 1, 2018.

d. For the month of February, 2018 only, American commits to offer, in seniority order to PSA Pilots, the lesser of (a) twenty-five percent (25%) of all New Pilot Positions filled in that month (subject to standard rounding) or (b) eight (8) New Pilot Positions. Beginning March 1, 2018, American commits to offer, in seniority order to PSA Pilots the lesser of (a) twenty-five percent (25%) of all New Pilot Positions filled (subject to standard rounding) from March 1, 2018 to December 31, 2018 or (b) ten (10) New Pilot Positions times the number of calendar months from March 31, 2018 to December 31, 2018, in which American actually hired pilots for New Pilot Positions. Beginning in 2019 and for each subsequent calendar year for the life of this Agreement, American commits to offer to PSA Pilots in seniority order the lesser of

twenty-five percent (25%) of all New Pilot Positions filled (subject to standard rounding) or (b) ten (10) New Pilot Positions times the number of calendar months in that calendar year in which American actually hired pilots for New Pilot Positions. For purposes of this Agreement, a New Pilot Position will be deemed "filled" when a pilot is "hired", and a pilot will be deemed "hired" by American on the first day he/she commences initial training. For example:

- i. In 2019, American hires 600 pilots for New Pilot Positions, with hiring in each month of the year. American will have complied with its Offer Commitment for 2019 if it makes no less than 120 offers for New Pilot Positions to PSA Pilots (i.e., the lesser of 10 pilots x 12 months = 120; or 25% x 600 = 150 pilots).
- ii. In 2019, American hires 600 pilots for New Pilot Positions, with hiring in only 10 months of the year. American will have complied with its Offer Commitment for 2019 if it makes no less than 100 offers for New Pilot Positions to PSA Pilots (i.e., the lesser of 10 pilots x 10 months = 100; or 25% x 600 = 150 pilots).

All other provisions of LOA 5 Enhanced Career Opportunities II shall remain in full force and effect for the duration of Letter of Agreement (LOA) #5.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement this 1 day of ^{February} ~~December~~, 2017/8

FOR AMERICAN AIRLINES, INC.



Devon May

Senior Vice President, Network Strategy

American Airlines, Inc.

FOR THE AIR LINE PILOTS ASSOCIATION

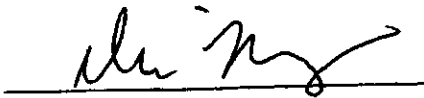


Captain Timothy G. Canoll

President

Air Line Pilots Association

FOR PSA AIRLINES, INC.



Dion Flannery

President

PSA Airlines, Inc.



Captain Travis Ricks

Chairman, PSA MEC

Air Line Pilots Association