

AMERICAN AIRLINES, INC.

PILOT LONG TERM DISABILITY PLAN



February 1, 2004

Table of Contents

I.	PURPOSE.....	1
II.	EFFECTIVE DATE OF PLAN	1
III.	DEFINITIONS.....	1
IV.	ELIGIBILITY AND TERMINATION OF PLAN PARTICIPATION	5
A.	Eligibility for Plan Coverage.....	5
B.	Termination of Coverage	6
V.	DISABILITY BENEFIT ELIGIBILITY	6
VI.	DETERMINING THE DISABILITY BENEFIT AMOUNT	7
VII.	COMPANY ADMINISTRATIVE PROVISIONS.....	9
A.	Employer Action	9
B.	Indemnification	9
C.	Administrator and Named Fiduciary.....	10
D.	Pension Benefits Administration Committee	10
E.	Operation of Committee	11
F.	Indemnification, of Designees of the Administrator	11
G.	Action Taken in Good Faith	12
H.	Copies of Plan Documents	12
I.	Liability Insurance.....	12
VIII.	PILOT EMPLOYEE ADMINISTRATIVE PROVISIONS.....	12
A.	Personal Data to Administrator.....	12
B.	Address for Notification	13
C.	Inalienability of Benefits	13
D.	Information Available	14
E.	Claims Filing Procedure	14
F.	Appeal and Review of Disability Claims.....	15

American Airlines, Inc.

G.	General Administration – Finality of Decisions.....	16
IX.	FIDUCIARIES' DUTIES	17
A.	Fiduciaries.....	17
B.	Allocation of Responsibilities	17
C.	Procedures for Delegation and Allocation of Responsibilities	18
D.	General Fiduciary Standards	19
E.	Liability Among Co-Fiduciaries	19
F.	Amendment and Duration of the Plan.....	20
G.	Procedure for Amendment.....	20
H.	Merger with Other Plans.....	20
I.	Execution of Receipts and Releases	20
J.	Rights of Pilot Employees.....	21
K.	Payment of Expenses.....	21
L.	Obligations of the Company	21
M.	Headings	21

AMERICAN AIRLINES, INC. PILOT LONG TERM DISABILITY PLAN

I. PURPOSE

Income protection during periods of Disability is a fundamentally important concern for each of us.

Long term Disability benefits for eligible pilots have previously been provided under the Disability provisions of the American Airlines, Inc. Pilot Retirement Benefit Program ("the Program"). This Plan replaces the Disability benefits provided under the Program for Disabilities incurred after the Plan's Effective Date and is provided, administered and funded by the Company subject to the Agreements between the Association and the Company.

Pilot Employees must follow the procedures and meet the requirements of the Plan, as contained in this document, to obtain Disability benefits. Questions about the Plan should be directed to your local crew base Flight Administrator.

Throughout this document any reference to gender-specific terms (such as, "he" or "him") shall apply to both genders.

This document constitutes the complete and official Plan document and Summary Plan Description. It is intended to give you an understandable description of the benefits provided by this Plan, how to apply for benefits and your rights under the Plan.

II. EFFECTIVE DATE OF PLAN

The provisions of this Plan shall be effective for Disabilities incurred on or after February 1, 2004. Disabilities incurred prior to February 1, 2004 are not covered under the terms of this Plan but are covered under the Disability provisions of the Program. This means that if you were Disabled prior to February 1, 2004, you will be covered under the Disability provisions of the Program even though your Disability benefit payments may not begin until after February 1, 2004.

III. DEFINITIONS

For purposes of this Plan, the following definitions shall apply, unless the context clearly indicates otherwise. These defined terms are capitalized throughout this document to indicate their special meaning within the context of the Plan:

- A. "**Active Pilot Employee**" means a Pilot Employee who performs or is eligible to perform duties as a pilot for the Company. An Active Pilot Employee will include a Pilot Employee who is receiving Compensation from an Employer or the Association for periods during an Authorized Leave of Absence.
- B. "**Administrator**" means the Company.
- C. "**Agreement(s)**" mean(s) a "bona fide" collective bargaining agreement or agreements (within the meaning of section 7701(a)(46) of the Code) between the Association and the Company.

- D. **“Appeals Materials”** means written comments, documents, records, and other information, relevant to a benefit claim that an applicant submits to the Administrator or to the Pension Benefits Administration Committee.
- E. **“Association”** means the Allied Pilots Association or such successor organization as may be designated as the bargaining representative for the Pilot Employees.
- F. **“Association Leave”** means a Pilot Employee’s leave of absence approved by the Employer for Association business.
- G. **“Authorized Leave of Absence”** means any absence authorized by an Employer, including, but not limited to, an Association Leave or a leave of absence that is listed in Supplement F-1, paragraph 8 of the Agreements. An Authorized Leave of Absence shall be granted by an Employer for mandatory service in the Armed Forces of the United States, jury duty, or to comply with the Family and Medical Leave Act of 1993 or Uniformed Services Employment and Reemployment Rights Act of 1994. An Authorized Leave of Absence may be granted by an Employer for sickness, accident, vacation, Disability, or for other reasons under rules established by the Employer and uniformly applied to all individuals similarly situated.

Except as provided in Supplement F-1, paragraph 1 of the Agreements, if the Pilot Employee does not return to active Service with the Employer on or before the termination of his Authorized Leave of Absence, he will be deemed to have terminated Service as of the earlier of:

- (1) The date on which his leave of absence is terminated;
- (2) The first anniversary of the last date on which he performed at least one (1) Hour of Service as a Pilot Employee; or
- (3) The date on which he resigned or was discharged.

- H. **“Average Monthly Compensation”** means the highest of:

- (1) Average monthly Compensation for the 12 consecutive months immediately before the pilot uses all paid sick leave and vacation time accrued as a Pilot Employee, excluding the final partial month of paid sick leave and/or vacation time, or
- (2) Average monthly Compensation for the highest paid year of the previous five consecutive calendar years immediately before the pilot’s paid sick leave and vacation time end.

For example, a Pilot Employee becomes Disabled on January 20, 2004 and receives paid sick and vacation time through March 15, 2004. The Pilot Employee’s Average Monthly Compensation would be the greater of:

- Average Monthly Compensation paid for March 1, 2003 through February 29, 2004 (the pay for March 2004 is excluded) or
- Average Monthly Compensation received in the highest paid calendar year from 1999 through 2003.

In determining Average Monthly Compensation for the 12 consecutive month period specified above, the period and applicable wages due to: 1) an emergency leave of absence generated by the strike of another organized group which causes the Employer to suspend operations, 2) an Authorized Leave of Absence at the Employer's request to avoid the Furlough of other Pilot Employees and 3) an Authorized Leave of Absence on account of Disability regardless of whether a Disability benefit is paid or unpaid either from this Plan or the Program, which would normally fall within such 12-month period shall be excluded. Average Monthly Compensation shall be computed on such reduced 12-month period.

For example, assume a Pilot Employee had a 2-month approved unpaid sick leave of absence that fell within this 12-month period and that he earned \$90,000 for the 10 months that he worked. His Average Monthly Compensation would be \$9,000 (\$90,000/10 months).

- I. **"Beneficiaries"** means any person designated by a Pilot Employee who is or may become eligible to receive outstanding payments under the Plan following the death of such Pilot Employee.
- J. **"Board of Directors"** or **"Board"** means the Board of Directors of the Company, or any committee appointed by the Board of Directors and serving at the pleasure of such Board of Directors which is given authority to exercise some or all of the powers of such Board of Directors with respect to the Plan.
- K. **"Code"** means the Internal Revenue Code of 1986, as amended, and any regulations or rulings thereunder.
- L. **"Company"** means American Airlines, Inc., a Delaware corporation.
- M. **"Compensation"** means, for any Pilot Employee for any period, the total gross remuneration, including base pay, flying pay, minimum pay and pay for periods of vacation and sick leaves, variable compensation as provided under the Agreement between the Company and the Association (effective February 26, 1991), and compensation paid by the Association to a Pilot Employee, but excluding expense allowances and reimbursement for expenses, actually paid to such Pilot Employee for such period by the Employer or, for the period of an Association Leave, such expenses paid or reimbursed by the Association and any Disability benefit payments under this Plan. A Pilot Employee's Compensation shall not include, unless otherwise expressly stated in the Plan, any amount paid to the Pilot Employee with respect to Service performed by the Pilot Employee other than as a Pilot Employee.
- N. **"Disability"** or **"Disabled"** means an illness or injury, verified through a qualified medical authority in accordance with Section V of the Plan, which prevents a Pilot Employee from continuing to act as an Active Pilot Employee in the Service of the Employer, other than:
 - (1) Fear of flying syndrome, unless there is a preeminent psychiatric diagnosis; or
 - (2) Chemical dependency showing no progress toward recovery after two (2) years; or

- (3) Any illness or injury which was intentionally self-inflicted or an attempted suicide; or
 - (4) Any illness or injury which was contracted, suffered or incurred while the Pilot Employee was engaged in a criminal activity; or
 - (5) Any illness or injury which was the result of war or any act of war, whether war is declared or not; or
 - (6) Any illness or injury which arose during the period of an unpaid leave of absence (other than an Association Leave) or Furlough while such Pilot Employee was absent from employment with the Employer; provided, however, that if a Pilot Employee had a Disability prior to beginning a Furlough and the Pilot Employee would have been recalled absent an illness or injury that would be considered a Disability, the Pilot Employee is deemed to have a Disability (if the illness or injury would otherwise qualify as such) from the date that the Pilot Employee would have been recalled.
- O. **“Elimination Period”** means the period between the Pilot Employee’s date of Disability and the date Disability benefit payments commence under the Plan. The benefits shall commence ninety (90) days after the onset of the Disability or related Disability or on the expiration of paid sick leave and/or vacation, whichever occurs later; provided that there has been and continues to be qualified medical care consistent with the nature of the illness or injury.
- P. **“Employee”** means any person on the payroll of the Company or a Related Employer whose wages from the Employer are subject to withholding for purposes of Federal income taxes. In addition, the term “Employee” shall mean any leased employee (within the meaning of section 414(n)(2) of the Code) that section 414(n)(2) of the Code requires the Employer to treat as an employee.
- Q. **“Employer”** means the Company and any Related Employer that duly joins in the Plan with the approval of the Company and the Association.
- R. **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended, and any regulations or rulings thereunder.
- S. **“Furlough”** means the removal of a Pilot Employee from active duty as a pilot with the Employer due to a reduction in work force, or the period during which such Pilot Employee is not in the active employment as a pilot of the Employer due to such reduction in work force.
- T. **“Hour of Service”** shall be determined as in the same manner as determined under the Program.
- U. **“Inactive Pilot”** means a pilot that is not an Active Pilot Employee.
- V. **“Normal Retirement Age”** means “Normal Retirement Age” as defined in the Program.
- W. **“Normal Retirement Date”** means, in the case of a Pilot Employee who attains Normal Retirement Age on the first day of a month, the first day of such month, and in the case

of any other Pilot Employee, the first day of the first month following the day the Pilot Employee attains Normal Retirement Age.

- X. **"Pension Benefit Administration Committee"** or **"PBAC"** means the committee whose members are appointed to and which have the responsibilities specified in Section VII of the Plan.
 - Y. **"Pilot Employee"** means an Employee on the Pilot System Seniority List of the Company for such period or periods that he is on such list. Pilot Employee will include an individual permitted to participate in the Plan as provided under the Agreements.
 - Z. **"Plan"** means the American Airlines, Inc. Pilot Long Term Disability Plan, as set forth herein and modified from time to time.
- AA. **"Program"** means the American Airlines, Inc. Pilot Retirement Benefit Program.
- BB. **"Related Employer"** means any business entity that is, along with the Company:
- (1) A member of a controlled group of corporations (as defined in section 414(b) of the Code);
 - (2) A member of a group of trades or businesses (whether or not incorporated) that are under common control (within the meaning of section 414(c) of the Code); or
 - (3) A member of an affiliated service group (within the meaning of section 414(m) of the Code).
- CC. **"Record"** means all documents, records, and other information relevant to a Pilot Employee's claim for Plan benefits and relevant to a Pilot Employee's appeal from a denial of benefits, as such materials exist at any level of the claims process.
- DD. **"Retirement"** means the termination of Service for reasons other than death or Disability after a Pilot Employee has satisfied the requirements for a "Retirement Benefit" as defined in the Program. Retirement shall be considered as commencing on the first day immediately following a Pilot Employee's last day of Service.
- EE. **"Service"** means employment (whether or not as an Employee) with the Company or a Related Employer. Service will begin on the date an Employee first performs one (1) Hour of Service for the Company or a Related Employer.

IV. ELIGIBILITY AND TERMINATION OF PLAN PARTICIPATION

A. Eligibility for Plan Coverage

Active Pilot Employees on the U.S. payroll of an Employer shall become eligible for coverage as of February 1, 2004. Pilot Employees hired on or after February 1, 2004 become eligible for coverage on their first day of Service. Pilot Employees who are not Active Pilot Employees on February 1, 2004 (who are, for example, (1) receiving Disability benefits under the Program, (2) on an Authorized Leave of Absence, (3) on

Furlough, and (4) other similar situations) will automatically become eligible for coverage on their first day of Service upon their return to active duty with the Employer.

B. Termination of Coverage

Plan Coverage ends on the earlier of the following events:

- Termination of employment, except that Disability benefits will continue beyond termination of employment in accordance with Section V of this Plan;
- Commencement of a "Retirement Benefit" under the Program;
- Normal Retirement Date;
- Becoming ineligible for the coverage due to a change in job classification; or
- Death.

V. DISABILITY BENEFIT ELIGIBILITY

Disability benefits replace a portion of a Pilot Employee's Compensation when unable to work as a result of a Disability. The existence of a Pilot Employee's Disability and eligibility for a Disability benefit shall be determined in accordance with the following provisions:

- A. A Pilot Employee's Disability will be considered to have existed (and to continue to exist) only if the Pilot Employee has received and continues to receive qualified medical care consistent with the nature of the illness or injury that gives rise to such Disability;
- B. A Pilot Employee's Disability will be considered to cease to exist if (1) health is restored so as not to prevent the Pilot Employee from acting as an Active Pilot Employee in the service of the Company, (2) verification of such Disability can no longer be established or (3) appropriate medical care is wantonly disregarded by such Pilot Employee;
- C. Verification of a Pilot Employee's Disability shall be established by the corporate medical director of the Company (the "Corporate Medical Director") through claims procedures agreed to between the Company and the Association. Any Disability may be subject to re-verification, when appropriate, every ninety (90) days;
- D. Any dispute as to the clinical validity of a Pilot Employee's claim of the existence of a Disability or the continuation of the illness or injury which gave rise to such Disability shall be referred to a clinical authority selected under the Agreements, and the findings of such authority regarding the nature and extent of such illness or injury shall be final and binding upon the Company, the Association and the Pilot Employee and his Beneficiaries. The cost of referral of a dispute to a clinical authority pursuant to this paragraph, including the cost of all examinations or proceedings in connection therewith, shall be shared equally by the Company and the Association.
- E. A Pilot Employee diagnosed as chemically dependent on or after the Effective Date,

- (1) Shall be entitled to a lifetime maximum of up to eighteen (18) months of payments from the point in time the Pilot Employee is diagnosed as chemically dependent but not beyond his Normal Retirement Date,
- (2) The payments shall be a combination of accrued sick time and and/or Disability benefits, provided, however, that only twelve (12) months of payments shall be made from the Plan and/or the Program,
- (3) The eighteen (18) months of payments, while cumulative, are not necessarily consecutive, and may be broken for periods if the Pilot Employee returns to active status or does not apply for Disability benefits,
- (4) The eighteen (18) months of payments shall be extended to pay the Pilot Employee any accrued sick time remaining at the end of the eighteen (18) months of payments,
- (5) Any accrued vacation pay shall not be counted in the eighteen (18) months of payments, and
- (6) If, at the end of the eighteen (18) months of payments, the Pilot Employee has not shown progress toward recovery as determined by the Corporate Medical Director, all Disability payments terminate.

The 12-month and 18-month limitations under this paragraph E shall include Disability payments for chemical dependency from both this Plan and the Program.

VI. DETERMINING THE DISABILITY BENEFIT AMOUNT

A. Benefit Amount

The monthly Disability benefit payable is fifty-five percent (55%) of the Pilot Employee's Average Monthly Compensation, up to a maximum benefit of \$6,000 per month.

For example, consider the following two pilots who are eligible for Disability benefits under the Plan. Captain A has an Average Monthly Compensation of \$12,000 and First Officer B has an Average Monthly Compensation of \$9,000. The calculation of monthly Disability benefits is as follows:

	Captain A	First Officer B
Average Monthly Compensation	\$12,000	\$9,000
55% of Average Monthly Compensation	\$6,600	\$4,950
Maximum Monthly Benefit	\$6,000	\$6,000
Monthly Plan Benefit	\$6,000	\$4,950

Disability benefits paid by this Plan are taxable income and are considered W-2 earnings.

B. When Disability Benefits Begin

Disability benefit payments begin on the first day after the Disabled Pilot Employee has completed the Elimination Period.

The first check the Disabled Pilot Employee receives will be retroactive to the first day after the Elimination Period is completed. Subsequent Disability payments are made on the same pay schedule as a line Pilot Employee's regular paycheck (currently the 25th day of the month for the previous month).

C. Right To Recover Overpayments

If an overpayment occurs (e.g., due to mid-month advances, late removals or return-to-work paperwork), the Pilot Employee will be required to reimburse the amount of the overpayment. Unless other arrangements are made, the amount overpaid may be recouped either from the Disability payment or the regular pay, as applicable.

D. Recurring Disability Provisions

In the event a Disabled Pilot Employee resumes duties as an Active Pilot Employee, but returns to Disability status due to the same cause within 31 days of the date the Pilot Employee commenced flight crewmember training, the Disability will be treated as the same Disability. The Pilot Employee will not have to satisfy a new Elimination Period and monthly Disability benefits will resume immediately from the Plan or Program, as applicable, following the last paid day as an Active Pilot Employee. The amount of the monthly Disability benefit will be the same as the Disabled Pilot Employee received prior to returning to work.

If the Pilot Employee returns to Disability status after having resumed duties as an Active Pilot Employee for 31 days or more or if the Disability is not due to the same cause, the Disability will be treated as a new Disability and a new Elimination Period will apply. In this case, Disability benefits will be paid from this Plan and not under the Disability provisions of the Program. The amount of the Disability benefit will be determined under this Section VI of this Plan.

E. When Disability Benefits End or Are Suspended

Disability benefits end on the earlier of:

- (1) The date the Disability ceases;
- (2) The payment of the maximum number of payments as stated in Section V;
- (3) The commencement of a "Retirement Benefit" under the Program;
- (4) Normal Retirement Date; or
- (5) Death.

Disability benefits will be suspended during the following situations:

- (1) Periods of Furlough, or
- (2) In the event the Pilot Employee works for the Company in a capacity other than as a pilot, his Disability benefits shall not be paid while he is employed in such capacity.

F. Disability Payment Deductions

The following deductions will be taken from the Pilot Employee's Disability payment in the same way as they are taken from an Active Pilot Employee's paycheck, including pretax deductions, as appropriate:

- Medical and Dental coverage
- Health Care Reimbursement Accounts
- Dependent Day Care Reimbursement Accounts
- Life Insurance
- Voluntary Personal Accident Insurance
- Long Term Care
- Non-revenue service charges
- PC Purchase Plan
- Federal (in accordance with the Code) and State income tax withholding

The Disabled Pilot Employee must use the same forms and procedures established by the Company for Active Pilot Employees for starting, changing or stopping payroll deductions from Disability benefit payments.

VII. COMPANY ADMINISTRATIVE PROVISIONS

A. Employer Action

Any action required of an Employer shall be evidenced by resolution of its board of directors or other governing body or by a person authorized to act by board resolution or by any person who is authorized to act by a written instrument executed by any person to whom authority has been delegated by the Board.

B. Indemnification

Each Employer by adoption of this Plan agrees to indemnify and save harmless the Board of Directors, the Company, and the members of the Pension Benefits Administration Committee, and each of them, from and against any and all loss resulting

from liability to which the Board of Directors, the Company, or the members of the Pension Benefits Administration Committee, may be subjected by reason of any act or conduct (except willful or reckless misconduct) in their official capacities in the administration of this Plan, including all expenses reasonably incurred in their defense. In the event that the Employer fails to provide such defense, such liability shall be paid from the Company provided that the indemnification provisions shall not relieve the Board of Directors, or any members of the Pension Benefits Administration Committee from any liability they may have under ERISA for breach of a fiduciary duty.

C. Administrator and Named Fiduciary

- (1) Appointment of Administrator. The Company shall be the Administrator of the Plan as well as the "named fiduciary" of the Plan.
- (2) Powers of the Administrator. The Administrator shall possess authority to control and manage the operation and administration of the Plan, as provided herein.

D. Pension Benefits Administration Committee

- (1) Appointment of the Pension Benefits Administration Committee. The Board of Directors, or its designee, will appoint a Pension Benefits Administration Committee to exercise the responsibilities of the Administrator. The Pension Benefits Administration Committee shall consist of at least three (3) members.
- (2) Term. Each member of the Pension Benefits Administration Committee shall serve until his successor is appointed. Any member of the Pension Benefits Administration Committee may be removed by the Board of Directors, or its representative, with or without cause, and such Board, or its representative, shall have the power to fill any Pension Benefits Administration Committee vacancy that may occur. A Pension Benefits Administration Committee member may resign upon written notice to the Board of Directors.
- (3) Compensation. The members of the Pension Benefits Administration Committee shall serve without compensation for services as such, but the Employers shall pay all expenses of the Pension Benefits Administration Committee, including the expenses for any bond required under section 412 of ERISA.
- (4) Powers of the Pension Benefits Administration Committee. The Pension Benefits Administration Committee shall have the following powers and duties:
 - (a) To determine all questions concerning the rights of Pilot Employees under the Plan, which decisions shall be final and binding upon the Employer, unless arbitrary and capricious;
 - (b) To exercise discretionary authority to determine eligibility for benefits and to continue the terms of the Plan;
 - (c) To amend the Plan as deemed necessary or appropriate by the Pension Benefits Administration Committee to comply with applicable laws, the Agreement and to further the objectives of the Plan;

- (d) To adopt such rules, forms and procedures as may be necessary for the administration of the Plan in accordance with their terms and the terms of any applicable law;
- (e) To review and render decisions respecting a claim for (or denial of a claim for) a benefit under the Plan in accordance with the claims procedure described in Section VIII of this Plan.
- (g) To comply with the reporting and disclosure requirements under ERISA, and in connection therewith, to prepare and distribute to Pilot Employees and submit to governmental agencies, Plan descriptions, reports, and other materials or summaries; and
- (h) To exercise any and all functions of the Administrator of the Plan as set forth herein.

E. Operation of Committee

The Pension Benefits Administration Committee may act by a majority of its members present at a meeting at which at least half the members are present or by a unanimous written decision taken without a meeting and filed with the Secretary of the Company. If at any time the minimum number of PBAC members has not been designated by the Board of Directors, then the PBAC member or members designated and acting at such time shall be deemed to constitute the full membership of the PBAC. The PBAC may appoint a chairman, a secretary and such other agents and representatives (who may, but need not, be members thereof) as it may deem advisable to keep its records or to otherwise assist it, and the PBAC may exercise the power of the Company to designate such representatives to carry out the responsibilities of the Company otherwise delegated solely to the PBAC by the Plan. Each of the members of the Pension Benefits Administration Committee is authorized to sign documents required by the Department of Labor, Internal Revenue Service, or other governmental agencies on behalf of the Administrator.

F. Indemnification, of Designees of the Administrator

The Company shall indemnify each member of the Pension Benefits Administration Committee as well as any other directors, officers or employees of the Company who are designated to carry out any responsibilities of the Company in connection with the Plan against all liabilities and expenses, including attorneys' fees, actually and reasonably incurred by him in connection with any threatened, pending or completed legal action or judicial or administrative proceeding to which he may be a party, or may be threatened to be made a party, by reason of such membership or other designation, except with regard to any matters as to which he shall be adjudged in such action or proceeding to be liable for breach of fiduciary duty under ERISA or gross negligence or willful misconduct in connection therewith.

Any director, officer or employee of the Company may act in more than one fiduciary capacity under the Plan and the Administrator may employ one or more persons to render advice to any director, officer or employee of the Company with respect to such individual's responsibilities under the Plan.

G. Action Taken in Good Faith

To the extent permitted by ERISA, the members of the Pension Benefits Administration Committee, the Company and its directors, officers and employees shall be entitled to rely upon all tables, valuations, certificates and reports and opinions furnished by an actuary or by any accountant or insurance company that the Administrator has retained. In addition, such parties shall be entitled to rely upon information furnished by a Pilot Employee, the Company or the legal counsel for the Company. The members of the Pension Benefits Administration Committee, the Company and its directors, officers and employees shall be fully protected with respect to any action taken or suffered by them in good faith and in the absence of gross negligence or willful misconduct in reliance upon any such tables, valuations, certificates, reports or other advice of any such actuary, accountant, insurance company or upon any such information furnished by a Pilot Employee, the Company or legal counsel for the Company.

In carrying out their respective responsibilities under the Plan, the Administrator and other fiduciaries as defined, shall have discretionary authority to determine eligibility for and entitlement to Plan benefits and to construe the terms of the Plan. Any interpretation or determination made pursuant to such discretionary authority shall be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.

H. Copies of Plan Documents

The Company will distribute the documents in accordance with ERISA. Copies of this Plan and Summary Plan Description and any other documents and records which a Pilot Employee is entitled by law to inspect shall be open to inspection by the Pilot Employee or their duly authorized representatives at the office of the Administrator (or, where applicable, at the office of the Association) at any reasonable business hour. A Pilot Employee or his duly authorized representative(s), may also obtain copies of such documents by writing the Administrator. The Administrator may require a Pilot Employee to pay a reasonable copying charge to obtain copies of documents for which such changes are allowed by law.

I. Liability Insurance

The Company may purchase insurance to cover potential liability of anyone who serves in a fiduciary capacity with regard to the Plan.

VIII. PILOT EMPLOYEE ADMINISTRATIVE PROVISIONS

A. Personal Data to Administrator

Each Pilot Employee shall furnish to the Administrator evidence, data, or information as the Administrator considers necessary for the purpose of administering the Plan. The provisions of this Plan are effective for the benefit of each Pilot Employee, or Inactive Pilot upon the condition precedent that each Pilot Employee will promptly furnish full, true, and complete evidence, data, and information when requested to do so by the

Administrator, provided the Administrator shall advise each Pilot Employee of the effect of his failure to comply with its request.

B. Address for Notification

Each Pilot Employee shall file with the Administrator, in writing, his mailing address, and each subsequent change of such mailing address. Any payment or distribution made hereunder, and any communication addressed to a Pilot Employee, at the last address filed with the Administrator, or if no such address has been filed, then at the last address shown on the records of the Employer, shall be deemed to have been delivered to the Pilot Employee on the date that such distribution or communication is deposited in the United States Mail, first class postage prepaid, to be forwarded to such address.

C. Inalienability of Benefits

No benefit payment under the Plan, and no right or claim thereto, shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge and any attempt to do so shall be void and have no effect. Likewise, nor shall any benefit payment under the Plan, or right or claim thereto, be in any way liable for or subject to the debts, contracts, liabilities, engagements or torts of any individual or institution entitled to or possessing such right or claim. If any Pilot Employee is adjudicated bankrupt or if any attempt is made to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any such benefit or claim or right thereto, except as specifically provided in the Plan, then the Company shall not honor any such attempt and any such benefit or any remaining portion thereof shall be paid or held, after such adjudication or attempt, as follows:

- (1) If such benefit is in pay status, the Administrator may at its discretion terminate its payment and direct that payment of the benefit or the remaining portion thereof be made exclusively to or for the benefit of such Pilot Employee, as the case may be, or to the Pilot Employees' dependents, and in such form as the Administrator may direct; and
- (2) If such benefit is not in pay status, whether or not the Pilot Employee with respect to whom such benefit is payable continues to be employed by the Employer, the Administrator shall direct that such benefit be held exclusively for payment to such Pilot Employee, or to the Pilot Employees' dependents, at the Pilot Employee's commencement of an Disability benefit.
- (3) If any court of competent jurisdiction shall order the Administrator to do anything inconsistent with this Section and the Administrator thereafter notifies the Pilot Employee of this order, then, unless and until the order is set aside, the following provisions shall apply: (a) the Administrator may refrain from doing anything that would prevent later obeying the order; and (b) thirty (30) days after giving such notice the Administrator may obey the order to the extent that doing so would not violate ERISA or the Code.
- (4) If any Pilot Employee's benefit is garnished or attached by order of any court of competent jurisdiction, the Administrator may bring an action for a declaratory judgment in a court of competent jurisdiction to determine the proper recipient of the benefit to be paid by the Plan. During the pendency of

such action, any benefit that becomes payable shall be paid into the court as it becomes payable, to be distributed by the court to the recipient it deems proper at the close of such action.

D. Information Available

Any Pilot Employee may examine copies of the Plan's latest annual report, and any other instrument under which the Plan was established or is operated, or other information that the Administrator is required to make available under section 104(b)(2) of the ERISA. The Administrator will maintain such items for examination during reasonable business hours in their respective offices, or in such other place or places as they may designate from time to time in order to comply with the regulations issued under the Act. Upon the written request of a Pilot Employee, the Administrator shall furnish him with a copy of such items. The Administrator may make a reasonable charge to the person requesting the copy so furnished, to the extent allowed by law.

E. Claims Filing Procedure

Any claim relating to a Disability benefit under the Plan shall be submitted in writing by the Pilot Employee or his authorized representative with all applicable medical information to Flight Administration who will forward the information to the Administrator for determination and subsequent payment. Claim forms can be obtained from Flight Administration.

After the Administrator receives the forms, the Disabled Pilot Employee's claim will be processed. Sometimes the Administrator may request additional information. The Administrator will notify the Disabled Pilot Employee of the decision regarding the Disability claim. The Administrator will provide notifications and/or payments directly to the Disabled Pilot Employee based on the last known address.

If the Administrator determines that any applicant is not entitled to receive all or a part of the Disability benefit claimed, it will mail or deliver written notice to such applicant of its determination and the specific reasons for the denial with appropriate references to pertinent Plan provisions, a description of any additional material or information necessary for the applicant to perfect the applicant's claim, and an explanation of why such material or information is necessary, a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the applicant's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination.

Such notice shall be provided by the Administrator within forty-five (45) days of receipt of the claim by Flight Administration. This forty-five (45) day period may be extended an additional thirty (30) days if necessary, provided the Administrator gives notice to the applicant during the initial forty-five (45) day period. If, prior to the end of the first thirty (30) day extension period, the Administrator determines that a decision cannot be rendered due to matters beyond its control, the period for making the determination may be extended up to an additional thirty (30) days. In such event, the Administrator shall notify the applicant, prior to the expiration of the first thirty (30) day extension period, of the circumstances requiring the additional extension and the date by which the Administrator expects to render a decision.

F. Appeal and Review of Disability Claims

The following describes the appeal process under this Plan, and whenever the Pilot Employee can take an action under this process, his authorized representative can take such action on his behalf:

- (1) If the Pilot Employee's claim is wholly or partly denied, the denial notice must include specific reasons for such denial, reference to Plan terms and conditions on which the denial was based, a description of any additional material or information necessary for the Pilot Employee to perfect his claim and an explanation of why such material or information is necessary, a description of the Plan's review procedures, and the time limits applicable to such procedures, including a statement of the right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination.
- (2) If an internal rule or guideline was relied upon in making the adverse determination, the Pilot Employee is entitled to receive that information, or be advised that this information was relied upon in making the determination, and that the Pilot Employee can receive a copy of the information free of charge, upon request.
- (3) The Pilot Employee may request that the Pension Benefits Administration Committee review the denial of all or part of his claim. This request must be in writing and must be received by the Administrator no more than 180 days after the Pilot Employee receives notice of the adverse benefit determination. The request must be submitted to the Administrator at the address provided on page 40. Any notice of appeal received by the Administrator after this 180-day period will be null and void.
- (4) The Pilot Employee will be provided, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claim. Relevant information includes: anything that was relied on in making the benefit determination; anything submitted, considered or generated in the course of making the determination, without regard to whether the information was relied upon in making the determination; information that demonstrates compliance with required administrative processes and safeguards; and information regarding any statement of policy or guidance about the denied treatment option, without regard to whether the statement was relied upon in making the benefit determination.
- (5) As part of this review, the Pilot Employee may submit written comments, documents, records, and other information relevant to his claim ("Appeals Materials"). Only the Appeal Materials received by the Administrator prior to the 180-day appeal period will be considered. There will be no exception to this rule.
- (6) After receiving the Pilot Employee's request, the Pension Benefits Administration Committee will review the Pilot Employee's claim promptly. No deference will be given to the initial adverse benefit determination, nor will the Pension Benefits Administration Committee include the person who made the initial adverse determination or any person who is a subordinate of that individual in the review process. The review will take into account all comments, documents, records,

and other information submitted by the Pilot employee relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

- (7) If the adverse determination was based, in whole or in part, on a medical judgment, the Pension Benefits Administration Committee shall consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. Such health care professional must not have been involved in the initial adverse determination, nor be the subordinate of the professional involved in the initial adverse determination. The identity of any medical or vocational experts whose advice the Administrator obtained in connection with the applicant's claim will be disclosed to the applicant, regardless of whether such advice was relied upon in making the adverse determination.
- (8) The Pension Benefits Administration Committee will advise the Pilot Employee of the results of its review within forty-five (45) days after it receives the Pilot Employee's request, unless it determines that special circumstances (such as the need to hold a hearing) require an extension of time for processing the Pilot Employee's claim. In order for the time to be extended, the written notice of the extension must be furnished to the Pilot Employee prior to the termination of the initial forty-five (45) day period. The notice must tell the Pilot Employee the nature of the special circumstances and the date by which the Pension Benefits Administration Committee expects to render the determination on review.
- (9) The Pension Benefits Administration Committee will render its final decision in writing. If the applicant's claim has been denied, the notification will include the following: (a) the specific reason(s) for the denial and a reference to specific Plan provisions on which the determination is based; (b) a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Record; (c) a statement describing any voluntary appeal procedures offered by the Administrator, such as arbitration and the applicant's right to obtain information about such procedures; (d) if a rule or guideline was relied upon in making the adverse determination, a statement to that effect and a statement that a copy of such rule or guideline will be provided to the applicant free of charge, upon request; (e) a statement of the applicant's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination; and (f) the following statement:

"The applicant and the Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact the local U.S. Department of Labor Office, or the state insurance regulatory agency."

G. General Administration – Finality of Decisions

- (1) The PBAC has the express authority to interpret any provision of this Plan and to determine, at its sole discretion, the meaning and application of any such provision as to each Pilot Employee, in accordance with the facts and circumstances of each particular claim. Except for the right of a Pilot Employee to appeal the denial of a claim, any decision or action of the PBAC, within their

scope of authority, shall be final and binding on all persons claiming a right to benefits under the Plan. No benefit shall be payable under the Plan, unless the PBAC determines in its sole discretion that such benefit is payable under the terms of the Plan.

- (2) Effect of Certain Determinations Under Other Agreements. In administering the Plan, the Administrator shall be bound by any determination pursuant to the Agreements, as applicable. The Administrator shall not administer the Plan in any manner inconsistent with a final determination under such Agreements. Notwithstanding any other provision of this Plan, neither the interpretation of the Plan nor its administration shall as such be within the jurisdiction of such Agreements.

If the Administrator has any reasonable doubt that Disability payments are being received by the person entitled thereto, it shall, by registered mail addressed to the person concerned, at his address last known to the Administrator, notify such person that all unmailed and future Disability payments shall be henceforth withheld until the Pilot Employee provides the Administrator with evidence of entitlement to such benefit and his proper mailing address.

IX. FIDUCIARIES' DUTIES

A. Fiduciaries

The "Fiduciaries" (herein so called) of the Plan shall be the following:

- (1) The Company;
- (2) The Employers;
- (3) The Administrator;
- (4) The Pension Benefits Administration Committee;
- (5) Such other person or persons that are designated to carry out fiduciary responsibilities under the Plan.

Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan. A fiduciary may employ one or more persons to render advice with regard to any responsibility such fiduciary has under the Plan. Each fiduciary shall discharge the his duties and responsibilities with respect to this Plan in accordance with the provisions more particularly set forth in this Plan.

B. Allocation of Responsibilities

The powers and responsibilities of the fiduciaries are hereby allocated as indicated below:

- (1) Company. The Company shall be responsible for all functions assigned or reserved to it under the Plan. Any authority assigned or reserved to the

Company under the Plan shall be exercised by resolution of the members of the Board of Directors.

- (2) Employer. The Employer shall be responsible for all functions assigned or reserved to it under the Plan. Any authority assigned or reserved to the Employer under the Plan shall be exercised by resolution of the Employer's board of directors.
- (3) Administrator. The Administrator shall have the responsibility and authority to control the operation and administration of the Plan in accordance with the terms of the Plan, except with respect to duties and responsibilities specifically allocated to other fiduciaries.
- (4) Pension Benefits Administration Committee. The Pension Benefits Administration Committee shall have the responsibility and authority to control the operation and administration of the Plan in accordance with the terms of the Plan, except with respect to duties and responsibilities specifically allocated to other fiduciaries.
- (5) Allocation of Responsibilities. Powers and responsibilities may be allocated to other fiduciaries as provided for under this Section.

This Section is intended to allocate to each fiduciary the individual responsibility for the prudent execution of the functions assigned to it, and none of such responsibilities or any other responsibility shall be shared by two (2) or more of such fiduciaries unless such sharing shall be provided for by a specified provision of the Plan.

C. Procedures for Delegation and Allocation of Responsibilities

Fiduciary responsibilities may be allocated as follows:

- (1) The Administrator may specifically allocate responsibilities to specified individuals.
- (2) The Company may designate one or more individuals or committees of individuals to carry out any of its fiduciary responsibilities in connection with the Plan. Any such designation may be made in the Plan, by the Board of Directors or by an officer or officers duly authorized by the Board of Directors to make such designation on behalf of the Company. Any designation, or revocation thereof made by the Board of Directors or by such officer or officers shall be made in writing, shall specify the responsibilities which the designee is to carry out and shall be filed with the Secretary of the Company, from whom the name and committee assignment, if any, of all individuals so designated and of any officers authorized to make such designations shall be available.
 - (a) The Pension Benefits Administration Committee may designate a person or persons other than a fiduciary to carry out fiduciary responsibilities under the Plan, provided that the authority granted the Pension Benefits Administration Committee under this subparagraph shall not cause any person or persons employed to perform ministerial acts and services for the Plan to be deemed fiduciaries of the Plan.

Any allocation of responsibilities pursuant to this Section shall be made by filing a written notice thereof with the Administrator and the Company specifically designating the person or persons to whom such responsibilities or duties are allocated and specifically setting out the particular duties and responsibilities with respect to which the allocation or designation is made.

D. General Fiduciary Standards

A fiduciary shall discharge his duties with respect to the Plan solely in the interest of the Pilot Employees and:

- (1) For the exclusive purpose of providing benefits to Pilot Employees and defraying reasonable expenses of administering the Plan;
- (2) With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and
- (3) In accordance with the documents and instruments governing the Plan, insofar as such documents and instruments are consistent with the provisions of Title I of ERISA.

E. Liability Among Co-Fiduciaries

- (1) Except for any liability which a fiduciary may have under ERISA, a fiduciary shall not be liable for the breach of a fiduciary duty or responsibility by another fiduciary of the Plan except in the following circumstances where:
 - (a) The fiduciary participates knowingly in, or knowingly undertakes to conceal, an act or omission of such other fiduciary, knowing such act or omission is breach;
 - (b) The fiduciary's failure to comply with the general fiduciary standards in the administration of the fiduciary's specific responsibilities that give rise to their status as a fiduciary has enabled such other fiduciary to commit a breach; or
 - (c) The fiduciary has knowledge of a breach by such other fiduciary and does not undertake reasonable efforts under the circumstances to remedy the breach.
- (2) Liability Where Allocation is in Effect. To the extent that fiduciary responsibilities are specifically allocated either by a fiduciary or pursuant to the express terms hereof to any person or persons, then such fiduciary shall not be liable for any act or omission of such person in carrying out such responsibility except to the extent that the fiduciary violated this Section: (1) with respect to such allocation or designation, (2) with respect to the establishment or implementation of the procedure for making such an allocation or designation, (3) in continuing the allocation or designation, or (4) if the fiduciary would otherwise be liable in accordance with this Section.

(3) No Responsibility for Employer Action. Neither the Administrator nor the Pension Benefits Administration Committee shall have any obligation or responsibility with respect to any action required by the Plan to be taken by an Employer, or any Pilot Employee.

(4) No Duty to Inquire. Neither the Administrator nor the Pension Benefits Administration Committee shall have any obligation to inquire into or be responsible for any action or failure to act on the part of the others.

(5) Successor Fiduciary. No fiduciary shall be liable with respect to any breach of fiduciary duty if such breach was committed before becoming a fiduciary or after ceasing to be a fiduciary.

F. Amendment and Duration of the Plan

- (1) Amendment and Termination of the Plan. The Company expects to continue the Plan indefinitely but it necessarily reserves the right to amend the Plan, in whole or in part, at any time or from time to time, and to suspend or terminate the Plan, in whole or in part, at any time, by action of the Board of Directors, subject to the Agreements.
- (2) Limitation on Amendment and Termination of the Plan. No amendment, suspension or termination of the Plan otherwise permitted will deprive any Pilot Employee, of their right to any benefits to which any such person is entitled on the date such amendment, suspension or termination becomes effective. No such action will operate to affect adversely the benefits of Pilot Employees then retired or Disabled, securing such benefits.

G. Procedure for Amendment

Any amendment which is required to be made to the Plan by ERISA, or by any regulations or interpretations issued by the Department of Labor or the Internal Revenue Service with respect to the requirements of ERISA, shall be made by action of the Pension Benefits Administration Committee, subject to the Agreements. All other amendments to the Plan may be made by action of the Board of Directors, or by such person or persons, including the Pension Benefits Administration Committee, as may be designated, to exercise the authority of the Company to amend the Plan, subject to the Agreements.

H. Merger with Other Plans

The Plan shall not be merged or consolidated with other plans.

I. Execution of Receipts and Releases

Any payment to any Pilot Employee, or to his legal representative, in accordance with the provisions of the Plan, shall to the extent thereof be in full satisfaction of all claims hereunder against the Plan. The Administrator may require such Pilot Employee or legal representative as a condition precedent to such payment, to execute a receipt and release therefor in such form as it shall determine.

J. Rights of Pilot Employees

Nothing contained in the Plan shall be construed as creating a contract of employment between the Employer and any Pilot Employee, as granting any rights to any Pilot Employee to be continued as such or which would otherwise affect his or her employment in any status with the Employer or as limiting the right of the Employer to discharge any Pilot Employee whether with or without cause.

K. Payment of Expenses

All expenses incident to the administration, termination, and protection of the Plan, including but not limited to legal, actuarial, and accounting fees, which are administrative expenses properly allocable with respect to the Plan as determined by the Administrator, in its sole and absolute discretion, shall be paid by the Employer.

L. Obligations of the Company

The obligations of the Company under the Plan shall be limited to those obligations specifically assumed by it under the terms hereof, together with such additional obligations, if any, as may be imposed upon the Company by applicable law.

M. Headings

The titles and headings are included for convenience of reference only and are not to be considered in construing the provisions hereof.

GENERAL INFORMATION ABOUT THE PLAN

YOUR RIGHTS UNDER ERISA

This section contains statements of your rights under the Employee Retirement Income Security Act (ERISA) of 1974, as amended from time to time. This legal notice follows the format provided by federal regulations and summarizes your rights under the law.

As a participant in a plan governed by ERISA, you have been given information about Plan coverages and benefits.

To help Plan participants resolve disputes and to avoid inconvenience or delay of payment for eligible expenses, the Plan provides descriptions of claim and appeal procedures, as well as addresses, telephone numbers, and other references where you may obtain additional information and assistance.

As a participant in an ERISA plan, you are entitled to:

- Examine, without charge, all Plan documents and copies of all documents filed with the U.S. Department of Labor, such as the annual report and plan description. These documents can be examined without charge in the Plan Administrator's office. They can also be examined without charge at the Association's office.
Obtain copies of all Plan documents and other Plan information from the Plan Administrator at the address shown on page 40. The Plan Administrator may make a reasonable charge for the copies, to the extent charges are allowed by law. Any materials requested by you should be received within 30 days of receipt of your request unless the materials are not sent because of circumstances beyond the control of the Plan Administrator, in which case, the Plan Administrator will notify you of the circumstances and when the materials will be sent to you.

The Plan Administrator makes available all documents required by law, including a summary of the Plan's Annual Financial Report. Additional information is also provided which may be helpful to you in making the best use of your benefits.

ERISA also imposes obligations upon those persons responsible for the operation of the Plan. Such persons are referred to as "fiduciaries" under the law. Fiduciaries must act solely in the interest of the Plan participants, and they must act prudently in the performance of their duties. Fiduciaries may be removed for violating these rules and are required to make good any losses they have caused the Plan.

In carrying out their respective responsibilities under the Plan, the Plan Administrator and other Plan fiduciaries shall have discretionary authority to interpret the terms of the Plan and to determine eligibility for and entitlement to Plan benefits in accordance with the terms of the Plan. Any interpretation or determination made pursuant to such discretionary authority shall be given full force and effect under the Plan, unless it can be shown that the interpretation or determination was arbitrary and capricious.

No one may discharge you, or otherwise discriminate against you, to prevent you from receiving a benefit or from exercising rights under ERISA.

If your claim for benefits is denied, you must receive a written explanation of the reason. You have the right to a review and reconsideration of your claim. If your claim is improperly denied, or if fiduciaries are misusing Plan money, you have the right to file suit in a federal or state court. You will be responsible for the cost of any legal action, although the court may require the other party to pay a part of or all of the legal costs, including attorney's fees, if you are successful in your lawsuit. However, if you are not successful in your lawsuit, for example, if the court finds your claim is frivolous, the court may order you to pay all legal costs.

If you have any questions about this statement or about your rights under ERISA, contact the Plan Administrator or the nearest area office of the Employee Benefit Services Administration (formerly, the Pension and Welfare Benefits Administration), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington D.C.20210.

For general information contact:

HR Employee Services

MD 5141-HDQ

American Airlines, Inc.

P. O. Box 619616

DFW Airport, Texas 75261-9616

(800) 447-2000

E-mail to: Employee.Services@aa.com

Web Address: jetnet.aa.com. (Select "Benefits and Pay" from the *Jetnet* main landing page).

For information about your claims, contact your local Flight Administration office.

PLAN INFORMATION

PLAN NAME: American Airlines, Inc. Pilot Long Term Disability Plan

PLAN NUMBER: 513

TYPE OF PLAN: Long Term Disability

EFFECTIVE DATE: February 1, 2004

PLAN ADMINISTRATOR: American Airlines, Inc.

Mailing address:

Mail Drop 5187-HDQ
P. O. Box 619616
DFW Airport, Texas 75261-9616
800-447-2000

PLAN SPONSOR: American Airlines, Inc.

EMPLOYER ID NUMBER: 13-1502798

AGENT FOR SERVICE

OF LEGAL PROCESS: Managing Director, Employee Services
American Airlines, Inc.

Mailing address:

Mail Drop 5112-HDQ
P. O. Box 619616
DFW Airport, Texas 75261-9616

Street address:

Mail Drop 5112-HDQ
4333 Amon Carter Blvd
Fort Worth, TX 76155

FUNDING ARRANGEMENT:	Self-Funded, Benefits are paid by the Company from Company funds
PLAN YEAR:	January 1 through December 31
MAINTENANCE OF PLAN:	This Plan is established and maintained pursuant to Agreements between the Company and the Association.

X. ABOUT THIS DOCUMENT

This document, along with any amendments adopted by the Company, is the official Plan document and Summary Plan Description (SPD) for the Plan.

The Company reserves the right to alter, amend, modify, or terminate the Plan, any program described in this document, or any part thereof at its discretion, subject to the provisions of any Agreements between the Company and the Association. Changes will not affect claims for services or supplies received before the change.

Only the Pension Benefits Administration Committee is authorized to change this Plan as described in this document. From time to time, you may receive updated information concerning Plan changes. Neither this guide nor updated materials are contracts or assurances of compensation, continued employment, or benefits of any kind.

In the event of a conflict between the provisions of this document and the provisions contained in the Agreements, the Agreements shall govern in all cases with respect to employees covered by such Agreements.