

IMPORTANT: PLEASE READ THIS INFORMATION ABOUT YOUR 2016 EMPLOYEE BENEFITS

The following legally required notice provides you with a summary of the health and welfare benefit plans' 2016 annual reports recently filed with the Employee Benefits Security Administration. This notice does not change the plans' benefits or procedures, and you need take no action unless you wish further information about the plans' annual reports. The following plans' annual reports are summarized:

- American Airlines, Inc. Health and Welfare Benefit Plan for Active Employees (Employer Identification #13-1502798, Plan #501) for the Plan year January 1, 2016 through December 31, 2016
 - The Supplemental Medical Plan for Employees of Participating AMR Corporation Subsidiaries (Employer Identification #13-1502798, Plan #503) for the Plan year January 1, 2016 through December 31, 2016
 - The American Airlines, Inc. Long Term Disability Plan (Employer Identification #13-1502798, Plan #509) for the Plan year January 1, 2016 through December 31, 2016
 - American Airlines, Inc. Long Term Care Insurance Plan (Employer Identification #13-1502798, Plan #510) for the Plan year January 1, 2016 through December 31, 2016
 - TWA Retiree Health and Life Benefits Plan (Employer Identification #13-1502798, Plan #511) for the Plan year January 1, 2016 through December 31, 2016;
 - American Airlines, Inc. Pilot Long Term Disability Plan (Employer Identification #13-1502798, Plan #513), for the Plan year January 1, 2016 through December 31, 2016
- American Airlines, Inc. 2012 Pilot Long Term Disability Plan (Employer Identification #13-1502798, Plan # 516, for the Plan year January 1, 2016 through December 31, 2016
- American Airlines, Inc. Group Life and Health Benefits Plan for Retirees (Employer Identification #13-1502798, Plan #515) for the Plan year January 1, 2016 through December 31, 2016

You and your eligible dependents may or may not be participants in one or more of these Plans; therefore, you should check your personal 2016 benefit enrollment records to determine how many and in which of these plans you were enrolled in 2016.

I: American Airlines, Inc. Group Life and Health Benefits Plan for Active Employees

Certain benefits under this Plan are provided by American Airlines, Inc. on a self-funded (uninsured) basis, while others are fully insured. This Plan has contracts with Metropolitan Life Insurance Company to pay all life insurance claims and any insured disability claims incurred under the terms of the Plan. The 2016 total premiums paid for these insured coverages were \$48,517,712.

Management Personal Accident Insurance and Voluntary Personal Accident Insurance, both parts of this Plan, are fully insured accidental death and dismemberment insurance coverages insured by Life Insurance Company of North America. American Airlines, Inc. as the Plan sponsor, paid \$1,000 in 2016 premiums for MPAI insurance coverage. \$1,370,074 in 2016 premiums were paid for VPAI insurance coverage. All other accidental death and dismemberment insurance 2016 premiums paid to Life Insurance Company of North America totaled \$2,054,880.

II: The Supplemental Medical Plan for Employees of Participating AMR Corporation Subsidiaries

Benefits under the Supplemental Medical Plan are provided on a self-funded (uninsured) basis through Voluntary Employee Benefits Association Trusts (VEBAs). Total Supplemental Medical Plan costs for 2016 including self-funded health claims, were \$3,921,582. The Supplemental Medical Plan had a total 2016 income of \$8,622,941, including employee contributions of \$2,206,238. Supplemental Medical Plan net assets, as of December 31, 2016, were \$81,618,085.

III: The American Airlines, Inc. Long Term Disability Plan

Benefits under the Long Term Disability Plan are provided on a self-funded (uninsured) basis through a Voluntary Employee Benefits Association Trust (VEBA). Total Long Term Disability Plan costs for 2016, including self-funded long term disability claims, were \$12,201,228. The Long Term Disability Plan had total employee contributions of \$481,857. Long Term Disability Plan net assets, as of December 31, 2016, were \$204,146,091.

IV: The Long Term Care Insurance Plan for Employees of Participating AMR Corporation Subsidiaries

This Plan, sponsored by American Airlines, Inc., is a fully insured Plan with insurance provided by MetLife. Total premiums paid in 2016 were \$7,860,847.

V: TWA Retiree Health and Life Benefits Plan

This TWA Retiree Health and Life Plan is sponsored by American Airlines, Inc., and was created with an effective date of January 1, 2002. It covers retired employees (and their eligible dependents) of TWA, Inc.—both those retirees under 65 and age 65 and over. Health coverage under the TWA Retiree Health and Life Plan is provided on a self-funded (uninsured) basis. Life coverage is fully insured through MetLife, and 2016 premiums paid

totalled \$3,494,260. TWA Retiree Health and Life Plan assets are held in a Voluntary Employee Benefits Association Trust (VEBA). Total TWA Retiree Health and Life Plan costs for 2016, including health claims, were \$7,899,636. TWA Retiree Health and Life Plan had a total 2016 income of \$7,573,564, including employer contributions of \$3,912,537 and retiree contributions of \$3,656,410. TWA Retiree Health and Life Plan net assets, as of December 31, 2016, were \$1,741,453.

VI. American Airlines, Inc. Pilot Long Term Disability Plan

This plan, sponsored by American Airlines, Inc., became effective on February 1, 2004, in accordance with the collective bargaining agreement between American Airlines, Inc. and the Allied Pilots Association. The plan is 100% funded by American Airlines, Inc. corporate assets—employees do not make contributions for coverage under this plan.

VII. American Airlines, Inc. 2012 Pilot Long Term Disability Plan

This plan, sponsored by American Airlines, Inc., became effective on October 1, 2012, in accordance with the collective bargaining agreement between American Airlines, Inc. and the Allied Pilots Association. The plan is 100% funded by American Airlines, Inc. corporate assets—employees do not make contributions for coverage under this plan.

VIII. American Airlines, Inc. Life and Health Benefits Plan for Retirees

Certain benefits under this Plan are provided by American Airlines, Inc. on a self-funded (uninsured) basis, while others are fully insured. Total 2016 Plan costs, including self-funded retiree health claims, RHMO premiums, and premiums for retiree life insurance benefits provided by the Plan were \$85,800,194.

The Plan has contracts with Metropolitan Life Insurance Company to pay all retiree life insurance claims incurred under the terms of the Plan. The total premiums paid in 2016 for this insured coverage were \$6,875,919.

The Plan had a total 2016 income of \$98,572,046, including employer contributions of \$71,017,565, and retiree contributions of \$4,357,752. Plan expenses, including payments to provide benefits, were \$85,800,194. Plan assets, as of December 31, 2016 were \$265,825,415.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full annual reports, on any part thereof, for any of these health and welfare benefit plans, upon request. The insurance information and accountant's reports are included in these reports, if applicable. To obtain a copy of any of these full annual reports, or any parts thereof, contact us by phone by calling the American Airlines, Inc. Benefits Service Center at 888-860-6178.

You also have the legally protected right to examine the annual report(s) at the main office of these plans located at 1E1D-74, AMR Corporate Headquarters, 4333 Amon Carter Blvd., Fort Worth, TX 76155, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department of Labor should be addressed to: Public Disclosure Room, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.