

**SUMMARY OF MATERIAL MODIFICATIONS FOR HEALTH AND WELFARE BENEFIT PLANS
SPONSORED BY
AMERICAN AIRLINES, INC.
June 30, 2008**

This document serves as notice to **American Eagle Airlines, Inc.** active and Leave-of-Absence employees of changes to the Company sponsored health and welfare benefit plans listed below. This Summary of Material Modifications describes the changes that affect your benefit plans and updates your summary plan descriptions. This Summary of Material Modifications, together with the Employee Benefits Guide, makes up the official plan documents and Summary Plan Descriptions. **Please read this notice carefully, and place this notice with your Summary Plan Description(s) (the Summary Plan Descriptions are contained in the Employee Benefit Guide (“EBG”)). These changes are effective June 30, 2008, unless otherwise stated elsewhere in this document.**

These changes apply to all plans in the benefit program of American Eagle Airlines, Inc., including the

- Group Life and Health Benefits Plan for Employees of Participating AMR Corporation Subsidiaries (Plan 501, EIN #13-1502798; referred to herein as the “Plan”), and
- Supplemental Medical Plan for Employees of Participating AMR Corporation Subsidiaries (Plan 503, EIN #13-1502798, referred to herein as the “Supplemental Medical Plan”).

Modification to “Supplemental Medical Plan,” “Enrollment,” “Special Enrollment Rights” (page 4) of the SMM effective 3/15/06, the following sentence should be added to the end of the second paragraph:

If you miss the 60-day deadline, the enrollment will not be processed.

Modification to “Enrollment,” “Making Changes During the Year, “Overview” (pages 26-27), the third bullet should be replaced by the following text:

Life Event changes must be made within the 60-day time frame. If you miss the 60-day deadline, your Life Event change will not be processed. You will have to wait until the next annual enrollment period to process your Life Event.

However, if your dependent(s) lose eligibility under the Plan, you must contact HR Services to remove the ineligible dependent(s) from coverage – even if you have missed the 60-day deadline. If you contact HR Services after the 60-day deadline you will be able to remove your dependent(s) from coverage, but the effective date of the removal will be the date you notified HR Services, and your resulting contribution rate changes, if any, will be effective as of the date you notified HR Services. You will not receive a refund of contributions paid between the date your dependent(s) became ineligible for coverage and the date you notified HR Services of their ineligibility. Keep in mind that if you do not notify HR Services of your dependent(s)’ eligibility within the 60-day timeframe, the dependent(s) will lose their right to continue coverage under COBRA, so it is important that you are timely in registering your dependent(s)’ removal from coverage within the 60-day timeframe.

END OF SUMMARY OF MATERIAL MODIFICATIONS

**CLARIFICATIONS TO THE EMPLOYEE BENEFITS GUIDE FOR
AMERICAN EAGLE AIRLINES EMPLOYEES
June 30, 2008**

This document serves as notice to **American Eagle Airlines, Inc.** active and Leave-of-Absence employees of clarifications to the summary plan description – the American Eagle Employee Benefits Guide (“EBG”). These clarifications, together with the EBG, make up the official plan documents and Summary Plan Descriptions. **Please read this notice carefully, and place this notice with your Summary Plan Description(s) (the Summary Plan Descriptions are contained in your EBG).**

These clarifications apply to all plans in the benefit program for American Eagle Airlines, Inc., including the

- Group Life and Health Benefits Plan for Employees of Participating AMR Corporation Subsidiaries (Plan 501, EIN #13-1502798; referred to herein as the “Plan”)
- Supplemental Medical Plan for Employees of Participating AMR Corporation Subsidiaries (Plan 503, EIN #13-1502798; referred to herein as the “Supplemental Medical Plan”)

In “Enrollment,” “Special Enrollment Rights” (on page 2 of the SMM effective 3/15/06 and page 26 of the EBG), the following clarifications apply to the second paragraph:

As an employee, you may enroll yourself and your new spouse and any dependents within 60 days of your marriage, and a new child within 60 days of his or her birth, adoption or placement for adoption. If you miss the 60-day deadline, the enrollment will not be processed. You will have to wait until the next annual enrollment period to enroll your dependent. In addition, if you are not enrolled in the employee benefits as an employee, you also must enroll in the employee benefits when you enroll any of these dependents. And, if your spouse is not enrolled in the employee benefits, you may enroll yourself and/or him/her in the employee benefits when you enroll a child due to birth, adoption or placement for adoption. In the case of marriage, coverage will begin on the first day of the first calendar month after the completed enrollment form is received. In the case of birth, adoption or placement for adoption, coverage is retroactive to the date of birth, adoption or placement for adoption. To request special enrollment or obtain more information, contact HR Services (see Contact Information).

If you are in the Supplemental Medical Plan and miss the 60-day deadline, the enrollment will not be processed. You will not have another opportunity to enroll your spouse.