AA Proposal

AA Proposal	**Date: 6/12/2008**	**Time: 1000**
Subject: Pilot Disability		**Version: 1**
Proposal Reference(s): Pilot Long Term Disability -10/25/07		
Contract Reference(s): Supplement F		

The Company proposes to change the Pilot LTD benefit to 60% of salary, subject to $6,000 maximum per month and include offsets from other sources of income as well as other plan provisions listed below:

1) Offsets to the Pilot LTD Benefit would include:
   Social Security Disability Benefits, primary and family
   Workers' Compensation
   State disability benefits

2) Benefits will be paid for up to 24 months for disability from the occupation of airline pilot.
   -After 24 months, the pilot will continue to be considered disabled if the pilot is not gainfully employed in any type of job for any employer and is unable to perform major and substantial duties of any occupation or employment for wage or profit for which the pilot has become reasonably qualified by training, education or experience.

3) 24 month lifetime maximum benefit for mental/nervous diagnoses. (No change to existing Chemical Dependency benefit.)

4) Claims must be filed within 1 year of date of disability in order to be eligible for benefits.

5) Benefits are payable only when the pilot is seeking appropriate care and treatment for the disabling condition from a duly qualified physician on an ongoing basis.

6) The Company shall have the right to employ a third party to administer the Pilot LTD Plan.