UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

You Are Receiving This Notice Because American Airlines May Have Incorrectly Charged You to Check Bags, and You May Be Entitled to A Refund of Your Money

IMPORTANT PLEASE READ THIS NOTICE CAREFULLY

THIS NOTICE RELATES TO A CURRENT CLASS ACTION LAWSUIT. IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHTS

A federal court directed this notice. This is not a solicitation from a lawyer. You are not being sued.

A Settlement has been reached in a class action lawsuit alleging that American Airlines, Inc. ("American") incorrectly charged certain passengers to check their bags. American denies the allegations in the lawsuit, and the Court has not decided who is right.

Settlement Class Members who submit Claim Forms may be eligible for a Refund.

REFUNDS FOR VERIFIED CLAIMS WILL RANGE FROM \$18.75 TO \$200.00 PLUS INTEREST, FOR EACH INCORRECTLY CHARGED CHECKED BAG. (More details are in #7 below.)

Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:			
SUBMIT A CLAIM FORM	Submit a Claim Form seeking payment no later than November 26, 2018 . This is the only way to get a Refund.		
EXCLUDE YOURSELF	Request to be excluded no later than February 1, 2019 and receive no payment from the Settlement. This is the only option that allows you to ever be part of any other lawsuit against American about the legal claims in the Settlement.		
OBJECT	Write to the Court by February 1, 2019 about why you do not like the Settlement.		
GO TO THE HEARING (On February 21, 2019)	Ask to speak in Court about the fairness of the Settlement.		
DO NOTHING	Get no payment. Give up your right to be part of this Settlement, or any other lawsuit against American about the same legal claims in this Settlement.		

These rights and options—and the deadlines to exercise them—are explained in this notice.

The Court still must decide whether to approve the Settlement. If it does, and after any appeals are resolved, payments will be distributed to those who submit qualifying Claim Forms. Please be patient.

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A. BASIC INFORMATION

1. Why is there a notice?

This notice is to inform you about the proposed Settlement of a class action lawsuit and your rights and options. This notice describes the lawsuit, the proposed Settlement, your legal rights and payments ("Refunds") that are available as a result of the Settlement, and who can get them.

District Court Judge William G. Young of the United States District Court for the District of Massachusetts is overseeing the proposed Settlement in the case titled *Bazerman*, et al. v. American Airlines, Inc., No. 1:17-CV-11297-WGY (the "Case"). The proposed Settlement will resolve the claims made against American in the Case. The person who sued is called the "Plaintiff." American is the "Defendant."

2. Why am I receiving this Notice?

You are receiving this notice because American's records indicate that you may have been incorrectly charged fees for checked bags. Read the description of the Settlement Class in #6 below to see whether you may be entitled to the Refunds offered to class members through this Settlement Agreement.

If you wish to get a Refund as part of the Settlement, you will need to submit a Claim Form (described in #8 below). American will then review its records further to verify if you are entitled to a Refund and if so, in what amount. For more information about the potential Refunds, look at the chart at #7 below.

3. What is this case about?

This Case alleges that between July 13, 2013 and June 7, 2018 ("Case Timeframe"), American incorrectly charged certain customers baggage fees, breaching American's contract with these customers. When customers buy tickets from American for air travel, a contract is formed in which American promises certain customers that they can check a certain number of their bags at no additional charge, depending on route of travel, cabin of service, frequent flyer status or other reasons. This case alleges that during the Case Timeframe, American breached its contract with certain customers by charging them to check one or more of their bags despite promises that they could do so at no additional cost.

The Settlement resolves the lawsuit. The Court has not decided who is right.

4. Why is there a class action?

In a class action, one or more people called "Class Representatives" (in this case, Max Bazerman) sue on behalf of themselves and people who have similar claims. Together, all of those people are members of the "Settlement Class" (read #6 below).

5. Why is there a Settlement?

The Court has not decided in favor of Plaintiff or American. Instead, both sides have agreed to a settlement. That way, they avoid the cost and risk of a trial, and if the Settlement is approved by the Court, Settlement Class Members will receive the Refunds described in this notice.

B. WHO IS PART OF THE SETTLEMENT

6. Who is included in the Settlement?

The Settlement Class consists of all residents of the United States (including the fifty states, the District of Columbia, the U.S. Virgin Islands, and Puerto Rico) who:

- 1. traveled on American Airlines ("American");
- 2. at any time between July 13, 2013 and June 7, 2018 (the "Case Timeframe"); and
- 3. meets the criteria of either or both subsections (a) and (b) below:
 - a. were charged a checked bag fee inconsistently with statements in American's Baggage Policy that passengers may check one or more bags for no additional charge, excluding oversized and overweight checked bags, specialty items, and sports equipment, for any of the following reasons:
 - i. At the time of check-in, the passenger held a First or Business Class ticket for a domestic flight;
 - ii. At the time of check-in, the passenger held a Business Class ticket for an international flight;
 - iii. At the time of check-in, the passenger held AAdvantage elite status with American or an equivalent

- frequent flyer elite status with a partner airline, or traveled on the same itinerary as a passenger who held such status:
- iv. At the time of check-in, the passenger was an active U.S. Military member or the dependent of a U.S. Military member travelling on orders; and
- v. At the time of check-in, the passenger was an active U.S. Military member on personal travel.
- b. were charged a checked bag fee inconsistently with a Confirmation Email received by the passenger stating eligibility to check a first bag for that ticketed trip at no additional charge.

Those Settlement Class Members who fall within the definition of the class identified in (i)-(v) above have claims for "Baggage Policy Bag" Refunds. Those Settlement Class Members who fall within the definition of the class identified in (b) above have claims for "Confirmation Email Bag" Refunds.

Excluded from the Settlement Class are (a) American and its respective parents, subsidiaries, divisions, affiliates, associated entities, business units, predecessors in interest, successors, successors in interest and representatives and each of their respective immediate family members; Class Counsel; and (c) the Judges who have presided over the Litigation and any related cases.

Judge Young has decided that everyone who fits the description in #6 is a Settlement Class Member. If you have any questions about the Settlement, call the toll-free number, 1-877-450-8798, visit the Settlement Website, send questions to the Settlement Administrator by email to AABaggageFeeSettlement@AdministratorClassAction.com, or write to American Airlines Baggage Fee Settlement, c/o Settlement Administrator, PO Box 30478, Philadelphia, PA 13103; or call Class Counsel toll free at 1-866-762-8575.

C. WHAT YOU MAY GET FROM THE SETTLEMENT

7. What does the Settlement provide?

American will provide Refunds to Settlement Class Members, as defined in #6 above, if they were incorrectly charged baggage fees and if those charges have not already been refunded. Refunds will be sent to each Settlement Class Member who submits a Valid Claim before the deadline, and after American has verified that the Settlement Class Member is entitled to receive a Refund and the Court has approved this Settlement. (These are referred to as "Verified Claims.")

Each Settlement Class Member is eligible to receive a 100% refund of all incorrectly charged Baggage Policy Bag fees during the Case Timeframe, plus interest.

Each Settlement Class Member is eligible to receive a 75% refund of incorrectly charged Confirmation Email Bag fees

Any Settlement Class Member who was incorrectly charged to check his or her bag(s) on multiple different occasions is eligible to receive a refund for each of those charges.

Each incorrect baggage charge will only be refunded once. (In other words, if you should have been entitled to check a bag at no charge both because you had elite frequent flyer status and also because you purchased a ticket in a premium cabin, you may only recover the overcharged amount for that bag once.

Refunds will be calculated based on the following:

Refund Amount Incorrect Bag Category of Passenger per Bag1 Charge Held a domestic first or business class ticket at the time of check-in 1 st \$25 2nd \$35 3rd \$150 Held an international business class ticket at the time of check-in 1 st \$25 2nd \$30 to \$100 3rd \$150 to \$200²

¹ For certain bags, Refund amounts depend on the date of travel, the date of ticket issuance, and the region of travel.

² There is one exception. The Refund for third through fifth checked bags on flights to or from Brazil is \$75 (before April 8, 2014) to \$85 (on or after April 8, 2014).

Category of Passenger	Incorrect Bag Charge	Refund Amount per Bag ³
AAdvantage Executive Platinum member or Equivalent Status ⁴ on a	1 st	\$25
Partner Airline, and companions travelling on the same itinerary	2 nd	\$30 to \$100
	3 rd	\$150 to \$200 ⁵
AAdvantage Platinum member or Equivalent Status ⁶ on a Partner	1 st	\$25
Airline, and companions travelling on the same itinerary	2 nd	\$30 to \$100
AAdvantage Gold member or Equivalent Status ⁷ on a Partner Airline,	1 st	\$25
and companions travelling on the same itinerary ⁸	2 nd	\$30 to \$100
Passengers who indicated during ticket purchase or check-in that they	1 st	\$25
were Active U.S. military traveling on orders, and Dependents of these	2 nd	\$30 to \$100
passengers	3 rd	\$150 to \$200 ⁵
	4 th	\$150 to \$200 ⁵
	5 th	\$200 ²
Passengers who indicated during ticket purchase or check-in that they	1 st	\$25
were Active U.S. military on personal travel	2 nd	\$30 to \$100
	3 rd	\$150 to \$200 ⁵
Passengers who were sent a confirmation email after ticket purchase on or after November 30, 2016 stating eligibility to check a first bag for "\$0.00" for that trip	1 st	\$18.75

8. How do I get a Refund?

To receive a Refund, you must fill out and submit a Claim Form by NO LATER THAN **November 26, 2018**. To submit a Claim Form, either:

- 1. Mail your completed Claim Form in the postage-paid envelope to the Settlement Administrator; or
- 2. Submit your Claim Form online by visiting the Settlement Website at www.AABaggageFeeSettlement.com.

Claim Forms submitted by mail must be postmarked on or before November 26, 2018 and mailed to:

American Airlines Baggage Fee Settlement ATTN: CLAIM FILING PO Box 30478 Philadelphia, PA 19103

To submit a Claim Form online, go to the Settlement Website at www.AABaggageFeeSettlement.com and follow the instructions.

Please read the Claim Form carefully and provide all the information required.

9. What happens after I submit a Claim Form?

American will provide Refunds to Settlement Class Members only if they timely submit a Claim Form. Once a Claim Form is submitted, American will check its computer records to verify that the person submitting the Claim is a Settlement Class Member entitled to a Refund, and determine the Settlement Class Member's Refund amount.

There may be circumstances in which a person who submits a Claim Form will not be entitled to a Refund. For example, American could review its records and determine that the person submitting the Claim Form was not

³ For certain bags, Refund amounts depend on the date of travel, the date of ticket issuance, and the region of travel.

⁴ "Equivalent Status" means Oneworld Emerald or Alaska MVP Gold 75K.

⁵ There is one exception. The Refund for third through fifth checked bags on flights to or from Brazil is \$75 (before April 8, 2014) to \$85 (on or after April 8, 2014).

⁶ "Equivalent Status" means Oneworld Sapphire or Alaska MVP Gold.

⁷ "Equivalent Status" means Oneworld Ruby or Alaska MVP.

⁸ These passengers were eligible to check two free bags at no charge for tickets purchased from July 13, 2013 to April 7, 2014.

incorrectly charged baggage fees. Similarly, a Settlement Class Member may have already been refunded by American for all incorrectly-charged baggage fees, and, therefore, would not be entitled to receive a Refund through this process.

Prior to receiving payment, the Settlement Administrator will inform you of your Refund. If you do not agree with the Refund amount or the determination that you are not entitled to a Refund, you have the opportunity to dispute the decision.

To dispute the Refund amount, you must submit a letter, email or other document that includes the following information:

- 1. Your name, address, telephone number, and any applicable frequent flyer number (if you have one);
- 2. A brief statement explaining why you disagree with the Refund amount; and
- 3. Any additional facts or documentation that the Refund amount is incorrect (*e.g.*, a receipt showing the checked bag fees paid, or a confirmation email indicating travel in a premium cabin, *etc.*).

The letter or other written document can be submitted through the Settlement Website or mailed to the address below. Your letter or other written document must be postmarked or submitted no later than thirty (30) Days after receiving notice of your Refund amount.

American Airlines Baggage Fee Settlement

ATTN: CLAIM DISPUTE PO Box 30478 Philadelphia, PA 19103

American, Class Counsel, and the Settlement Administrator will review your disputed Refund amount and notify you of any change in status.

10. When will I received my payment?

Payments for Verified Claims will be made only after the Court enters a Final Order and Judgment granting approval of the Settlement and after any appeals are resolved (*see* "Fairness Hearing" below). If there are appeals, resolving them can take time. Please be patient.

In addition, if your Refund totals \$600 or more, the law might require you to provide your Taxpayer ID or a W-9 to the Settlement Administrator in order to comply with IRS reporting requirements. If it is required, and if you do not provide that information within the specified time, then you will lose the opportunity to obtain your Refund. The Settlement Administrator will let you know whether you need to provide your Taxpayer ID or a W-9. You do not need to include a Taxpayer ID on your Claim Form.

D. EXCLUDING YOURSELF FROM THE SETTLEMENT

11. How do I get out of the Settlement?

If you do not wish to claim any Refunds that may be owed to you by American, you can simply do nothing in response to this Notice. You do not need to follow the "opt-out" process described below.

If you want to bring your own lawsuit against American about the incorrect checked bag fees being settled in this case, then you must take steps to exclude yourself from the Settlement. This is called "opting-out" of the Settlement Class. If you opt out, you will not receive a Refund from this Settlement.

To opt out of the Settlement, you must send a letter or other written document by mail to:

American Airlines Baggage Fee Settlement

ATTN: OPT OUT P.O. Box 30456 Philadelphia, PA 19103

Your opt-out request must be personally signed by you and contain a statement that you are a member of the Settlement Class but desire to be excluded from it.

Your opt-out request must be postmarked no later than **February 1, 2019**. You <u>cannot</u> opt out by phone, by email, or in any other way.

You may opt out of the Settlement Class only for yourself, not for anyone else.

12. If I do not exclude myself, can I sue American for the Incorrect Checked Bag Fees later?

No. Unless you opt out, you give up any right you might have to sue American for the same incorrect checked bag fees that this Case settles. If you start your own lawsuit, you will have to hire your own lawyer and you will have to prove your claims.

13. If I exclude myself, can I still get a payment?

No. If you exclude yourself from the Settlement, you will not receive a Refund from American through the process described in this notice.

14. What am I giving up in order to get a Refund?

If you file a Claim Form for a Refund or do nothing at all, you will be releasing American from all of your claims for money for having been incorrectly charged the checked bag fees listed in the chart in #7 from July 13, 2013 to June 7, 2018.

The Settlement Agreement is available by visiting the Settlement Website www.AABaggageFeeSettlement.com, calling 1-877-450-8798, emailing AABaggageFeeSettlement@AdministratorClassAction.com, or writing to American Airlines Baggage Fee Settlement, c/o Settlement Administrator, PO Box 30478, Philadelphia, PA 19103.

Or by calling or writing Class Counsel listed in #15 below. The Settlement Agreement provides more detail about the release of claims with specific legal terminology, so read it carefully. You can talk to the law firm representing the Settlement Class listed in #15 below for free or you can, at your own expense, talk to your own lawyer if you have any questions about the released claims or what they mean.

E. THE LAYWERS REPRESENTING THE ENTIRE SETTLEMENT CLASS

15. Do I have a lawyer in the case?

Yes. The Court has appointed Goldstein, Borgen, Dardarian & Ho and Benjamin Edelman as "Class Counsel" to represent you and all other Settlement Class members.

You will not be charged for these lawyers' services. Their Attorneys' Fees and Costs will be paid directly by American. If you want to be represented by another lawyer, you may hire one at your own expense.

16. How will the lawyers be paid?

Class Counsel will ask the Court for up to \$2,750,000 for attorneys' fees and reasonable costs and expenses they incurred in the Case. They will also ask the Court to pay \$2,500 to Plaintiff for bringing this Case. The fees, costs, expenses, and payments awarded by the Court will be paid by American. They will not come out of the Refunds for the Settlement Class. The Court will decide the amount of fees, costs, expenses, and payments to award to Class Counsel and the Plaintiff.

F. OBJECTING TO THE SETTLEMENT

17. How do I tell the Court if I do not like the Settlement?

If you are a Settlement Class Member (and do not opt out of the Settlement Class), and you do not agree with the Settlement, you can object to any part of it. To object, you must submit a letter or other document that includes the following:

- 1. Your name, address, telephone number, and email address (if you have one); and, if represented by counsel, the name, bar number, address and telephone number of your counsel;
- 2. A signed declaration stating that you are a member of the Settlement Class;
- 3. A statement of all your objections to the Settlement; and
- 4. A statement of whether you intend to appear at the Fairness Hearing, either with or without counsel, and if with counsel, the name, bar number, address, and telephone number of your counsel who will attend.

You must file your objection with the Court and mail or email your objection by February 1, 2019 to each of the following:

Settlement Administrator:

American Airlines Baggage Fee Settlement ATTN: OBJECTIONS

PO Box 30478

Philadelphia, PA 19103

Class Counsel:

Linda M. Dardarian, Byron Goldstein, and Raymond Wendell Goldstein, Borgen, Dardarian & Ho 300 Lakeside Drive, Suite 1000

Oakland, CA 94612 Phone: 510-763-9800

Email: AAcheckedbags@gbdhlegal.com

Defendant's Counsel:

U. Gwyn Williams
gwyn.williams@lw.com
David C. Tolley
david.tolley@lw.com
Latham & Watkins LLP
200 Clarendon St., 27th FL
Boston, MA 02116

18. What is the difference between objecting and asking to be excluded?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not opt out. Opting out is telling the Court that you do not want to be part of the Settlement. If you opt out, you have no basis to object to the Settlement because it no longer affects you.

G. THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement and Class Counsel's requests for fees and expenses and a payment to the Plaintiff ("Fairness Hearing").

19. When and where will the Court decide whether to approve the Settlement?

The Court has scheduled a Fairness Hearing on **February 21, 2019, at 2 p.m.**, at the United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts 02210. The hearing may be moved to a different date or time without additional notice. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider the requests by Class Counsel for an award of attorney's fees, costs, and expenses, and for a payment ("Incentive Award") to the Plaintiff. If there are objections, the Court will consider them at that time. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

20. Do I have to attend the hearing?

No. Class Counsel will answer any questions the Court may have. But, you are welcome to attend the hearing at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you submitted your written objection on time, to the proper addresses, and it complies with the other requirements listed in #17 above, the Court will consider it. You also may pay your own lawyer to attend the hearing, but it is not necessary.

21. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, your filed objection must include a statement of whether you intend to appear at the Fairness Hearing (see#17 above).

You cannot speak at the hearing if you opt out of the Settlement.

H. IF YOU DO NOTHING

22. What happens if I do nothing at all?

If you are a member of the Settlement Class and do nothing, you will get no money from the Settlement. And, unless you opt out, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit, arbitration or proceeding against American about the incorrect checked bag fees being settled in this Case.

I. GETTING MORE INFORMATION

23. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. For more information visit the Settlement Website at www.AABaggageFeeSettlement.com, write with questions to the Settlement Administrator at American Airlines Baggage Fee Settlement, c/o Settlement Administrator, PO Box 30478, Philadelphia, PA 13103, or call the toll-free number, 1-877-450-8798, or email AABaggageFeeSettlement@AdministratorClassAction.com.

You may also call Class Counsel at 1-510-763-9800, or email Class Counsel at AAcheckedbags@gbdhlegal.com.