

EXHIBIT D

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LFW-6196
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MASTER EQUIPMENT LEASE AGREEMENT

by and between

DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD,
as Lessor

and

AMERICAN AIRLINES, INC.,
as Lessee

Dated: As of December 1, 1990

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EXHIBIT A -- EQUIPMENT SCHEDULE

MASTER EQUIPMENT LEASE AGREEMENT

This Master Equipment Lease Agreement (this "Agreement") made and entered into as of December 1, 1990, by and between **Dallas-Fort Worth International Airport Board** ("Lessor"), being the duly and lawfully constituted and operating Board of Directors of the Dallas-Fort Worth International Airport, belonging jointly to the Cities of Dallas and Fort Worth, Texas, and **American Airlines, Inc.**, a corporation organized and existing under the laws of the State of Delaware, with its principal office in Fort Worth, Texas ("Lessee").

ARTICLE 1. DEFINITIONS.

1.1. Definitions.

"Acquisition Closing Date" is defined in Section 12.4.

"Affiliate" means (a) any person directly or indirectly owning, controlling or holding with power to vote 10% or more of the outstanding voting securities of the first person, (b) any person, 10% or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote by the first person, (c) any person directly or indirectly controlling, controlled by or under common control with the first person, (d) if the first person is a partnership or a joint venture, any general partner or venturer of such partnership or joint venture, or (e) if the first person is an employee, officer, director or general partner, any person for which the first person acts in such capacity. As used in the definition of "Affiliate," the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting securities, by contract or otherwise.

"Appraisal Date" is defined in Section 12.3.

"Authority" is defined in Section 2.1.

"Basic Rent" is defined in Section 3.2.

"Certificate of Economic Life of Equipment" is defined in Section 3.3.

"Code" is defined in Section 3.3.

"Debtor Relief Laws" means any and all applicable liquidation, conservatorship, bankruptcy, insolvency, rearrangement, moratorium, reorganization or similar debtor relief Laws affecting the Rights of creditors generally, from time to time in effect.

"Default" is defined in Section 11.1.

"Equipment" is defined in Section 2.1.

"Equipment Cost" means the price actually paid for such item of Equipment by Lessor, including, without limitation, the purchase price of such item (or any portion thereof, however designated), any sales Taxes paid with respect thereto, and any other costs reasonably incurred by Lessor in connection with the purchase (including without limitation, transportation and other pre-delivery costs and expenses and installation, set-up, testing and other similar costs and expenses required to put the Equipment into its intended useful capacity). The Equipment Cost in respect of any item of Equipment will be reduced by the amount of any refunds received by Lessor from the seller thereof, if, as and when received by Lessor.

"Equipment Schedule" is defined in Section 2.1.

"Fair Market Value" is defined in Section 12.3.

"Independent Appraiser" is defined in Section 12.3.

"Initial Facilities Agreement" and "Facilities Agreement" are defined in Section 2.1.

"Laws" means all present and future governmental laws, ordinances, rules, regulations, requirements, orders, and directions, and all present and future promulgated rules, regulations, requirements, orders and directions of the Lessor.

"Lien" means any lien, security interest, pledge, mortgage, chattel mortgage or other encumbrance of any name or nature whether arising by contract or under Law.

"Notice of Intent" is defined in Section 12.2.

"Option" is defined in Section 12.1.

"Permitted Liens" means (a) any Lien for Taxes not yet due and payable, (b) mechanics' and materialmen's Liens for services or materials for which payment is not yet due, and (c) the following, if the validity or amount thereof is being contested in good faith and by appropriate and lawful proceedings and so long as levy and execution thereon have been stayed and continue to be stayed, and so long as no civil damages or criminal penalty would be incurred by Lessor and no lien or charge would be imposed upon or satisfied out of the Equipment by reason of such contest, and any appeal therefrom: claims and Liens for Taxes due and payable and claims and Liens of mechanics, materialmen and other like Liens.

"Person" or "person" means any individual, corporation, business trust, unincorporated association, company, firm, partnership, joint venture, Tribunal, trust or other entity.

"Primary Term", with respect to any item of Equipment, is defined in Section 3.1.

"Residual Interest Possession Date" is defined in Section 3.3.

"Rights" means rights, powers, remedies or privileges.

"Taxes" means any and all gross income, gross receipts, net income, franchise, sales, use, value added, excise, personal property, stamp, interest equalization and other taxes or fees imposed by Law or by any Tribunal, together with any penalties, fines, additions to tax or interest thereon.

"Termination Date" is defined in Section 8.1.

"Tribunal" means any local, state, federal, foreign or other court, legislature, or other governmental body, department, commission, board, bureau, agency or instrumentality.

ARTICLE 2. EQUIPMENT LEASED.

2.1. Property to be Leased. In consideration of the covenant of Lessee to pay rent as provided herein, and the other covenants contained herein, and subject to and upon the terms, covenants and conditions herein, Lessor agrees to purchase and lease to Lessee, and Lessee agrees to lease from Lessor, the equipment and other personal property (the "Equipment") described in the one or more equipment schedules, in the form of Exhibit A (each an "Equipment Schedule"), to be executed by Lessor and Lessee within ten days after the whole of such item is accepted by Lessee, and each Equipment

Schedule will thereupon be attached to and made a part of this Agreement for all purposes; provided, however, that Lessor shall have no pecuniary obligation in respect of the purchase of the Equipment beyond the making available to Lessee for such purpose the proceeds of bonds designated for such purpose and issued pursuant to that certain Facilities Agreement dated as of December 1, 1990, by and between the Dallas-Fort Worth International Airport Facility Improvement Corporation (the "Authority") and Lessee (the "Initial Facilities Agreement"), together with any similar facilities agreements entered into by the Authority and Lessee relating to such Equipment (the Initial Facilities Agreement and any similar facilities agreements are herein referred to collectively as "Facilities Agreements" and singularly as a "Facilities Agreement").

2.2. Delivery. Lessor hereby appoints Lessee as its agent for inspection and acceptance of the Equipment. Each item of Equipment will be delivered to Lessee, and thereafter as provided in Section 2.3 hereof shall be used and located by the Lessee on the land comprising the Dallas-Fort Worth International Airport that is leased by the Lessor to Lessee or used by the Lessee pursuant to other agreements with the Lessor and more particularly described in the applicable Equipment Schedule related thereto. Upon such delivery, Lessee will cause an employee of Lessee to inspect the same, and if such Equipment is found to be acceptable in Lessee's judgment, to accept delivery of such Equipment on behalf of Lessor and Lessee. Acceptance by Lessee shall be deemed given unless written notice is given to Lessor within ten (10) days of delivery of each item of Equipment.

2.3. Use. Upon execution of an Equipment Schedule, as provided in Section 2.1 hereof, Lessee is granted and shall have the right during the Primary Term (as defined herein) in respect of any Equipment listed on that Equipment Schedule to possess and use such Equipment for any lawful purpose and in any lawful manner, subject to all Laws applicable to that Equipment, and further subject to Permitted Liens and to the terms of this Agreement.

2.4. Compliance with Laws.

(a) Lessee will, throughout the Term of this Agreement, and at no expense to Lessor, promptly comply or cause compliance with all Laws which may be applicable to the Equipment and the repair and alteration thereof. With regard to Lessor, acceptance by Lessee of any Equipment shall constitute acceptance of such Equipment in its condition on the date of such acceptance, and an assumption by Lessee of all risks, if any, resulting from any present or future, latent or patent defects therein or from the failure of the Equipment to comply with all legal requirements thereto, reserving however, any and all rights of Lessee with respect to parties other than Lessor.

(b) Lessee shall have the right, after written notice to Lessor, to contest by appropriate legal proceedings, diligently conducted in good faith, the validity or application of any Laws and, with the exception of any Laws of Lessor, to delay compliance therewith pending the prosecution of such proceedings, provided no civil damages or criminal penalty would be incurred by Lessor and no lien or charge would be imposed upon or satisfied out of the Equipment by reason of such delay, and the Lessee shall indemnify and hold Lessor harmless from any such damages, penalty, lien or charge. Such contest may be made by Lessee in the name of Lessor or Lessee, or both, as Lessee shall determine, and Lessor agrees that it will, at Lessee's expense, cooperate with Lessee in any such contest to such extent as Lessee may reasonably request. It is understood, however, that Lessor shall not be subject to any liability for the payment of any costs or expenses in connection with any such proceedings brought by Lessee, and Lessee covenants to pay, and to indemnify and save Lessor harmless from, any such costs or expenses.

(c) Lessee shall, at its sole cost and expense, keep and maintain the Equipment to the extent necessary to comply with any applicable Laws. Lessee covenants that it will not use or permit the use of the Equipment for any unlawful purpose.

2.5. Inspection by Lessor. The Lessee agrees that the Lessor and its duly authorized agents, upon not less than twenty-four (24) hours prior notice to Lessee, shall have the right at all reasonable times to enter upon and to examine and inspect the Equipment. The Lessor and its duly authorized agents shall also be permitted, at all reasonable times and upon not less than twenty-four (24) hours prior notice to Lessee, to examine the books and records of the Lessee with respect to the Equipment. The use of all such information shall be subject to applicable Law and the Lessor agrees to treat any such information so obtained in a confidential manner to the extent permitted by applicable Law. To the extent permissible, Lessee will prepare and file in a timely manner, or, where Lessor is required to file, Lessee will prepare and deliver to Lessor within a reasonable time prior to the date for filing, any reports with respect to the condition or operation of any Equipment during any period included in the term of the lease of such Equipment which are required to be filed with any federal, state or other governmental or regulatory authority.

ARTICLE 3. TERM, RENT AND PAYMENTS.

3.1. Term. The obligations of Lessor and Lessee under this Agreement will commence upon the execution hereof by Lessor and Lessee and will end upon full performance and observance of each and every term, condition and covenant herein and in any renewals or extensions hereof. Subject to the provisions of Article 8, the "Primary Term" (herein so called) of this Agreement for Equipment will begin and end on the dates specified in the relevant Equipment Schedule; provided, that no Primary Term for any Equipment shall commence before execution of the Equipment Schedule wherein that Equipment is listed as provided in Section 2.1 hereof and, with respect to any Equipment financed under any Facilities Agreement, no Primary Term shall extend beyond the Residual Interest Possession Date established in the Certificate of Economic Life of Equipment with respect to such Equipment as described below.

3.2. Basic Rent. The aggregate base rental (the "Basic Rent") payable by Lessee to Lessor for the use of all Equipment during the Primary Term in respect thereof is One Hundred and No/100 Dollars (\$100.00). Lessor hereby acknowledges receipt in full of the entire amount of the Basic Rent.

3.3. Definition of Certificate of Economic Life of Equipment. Upon execution and delivery of this Agreement, Lessee shall deliver to Lessor a certificate (the "Certificate of Economic Life of Equipment") on which shall be described in general terms each item of Equipment expected to be financed in whole or in part with proceeds of the bonds to be issued in connection with the Initial Facilities Agreement (described in Section 2.1 hereof). The Certificate of Economic Life of Equipment shall set forth (i) the reasonably expected economic life of such Equipment (determined in accordance with the provisions of section 142(b)(1)(B)(ii) of the Internal Revenue Code of 1986, as amended (the "Code")), (ii) the date on which the first such item of Equipment is expected to be placed in service, and (iii) the Residual Interest Possession Date applicable to each such item of Equipment (which date shall be that day on which a period commencing on the date set forth in clause (ii) of this Section and being of a duration equal to 80% or less of the period set forth in clause (i) of this Section would conclude). On or before the date on which any item of such Equipment is placed in service, the Certificate of Economic Life of Equipment shall be amended by Lessee to the extent necessary to reflect actual facts and revised expectations of Lessee with respect either to such in-service date or the reasonably expected economic life of such Equipment. Further, on or before the date on which any bonds are issued in connection with any subsequent Facilities Agreement (described in Section 2.1 hereof), a similar Certificate of Economic Life of Equipment shall be delivered by Lessee to provide similar information with respect to the Equipment to be financed in whole or in part with proceeds of such bonds. A copy of any amendatory or supplementary Certificate of Economic Life of Equipment shall be promptly provided to Lessor.

ARTICLE 4. OWNERSHIP OF THE EQUIPMENT.

4.1. Ownership of the Equipment.

(a) Lessee covenants and agrees that, except for this Agreement, and for encumbrances to secure indebtedness as expressly permitted by this Agreement, but subject always to the provisions of Article 12 hereof, it shall not create or suffer to be created any lien, encumbrance or charge upon the Equipment, or any part thereof, and that it shall satisfy or cause to be discharged, or shall make adequate provision to satisfy and discharge, within sixty (60) days after the same shall occur, all claims and demands for labor, materials, supplies or other items which, if not satisfied, might by law become a lien upon the Equipment, or any part thereof; provided that Liens for labor and materials arising by operation of statutory law shall not be within the purview of this paragraph if, when such Liens shall be perfected, Lessee shall cause them to be promptly discharged, or if Lessee is diligently contesting the validity of such lien, Lessee may utilize the provisions of the next succeeding sentence. If any such lien shall be filed or asserted against Lessee or the Equipment by reason of work, labor, services or materials supplied or claimed to have been supplied on or to Lessee or the Equipment, at the request or with the permission of Lessee or of anyone claiming under it, Lessee shall, within sixty (60) days after it receives notice of the filing thereof or the assertion thereof against the Equipment cause the same to be discharged of record, or effectively prevent the enforcement or foreclosure thereof, by contest, payment, deposit, bond, order of court or otherwise. Nothing in this Article shall require Lessee to satisfy or discharge any such claim or demand so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings without cost or expense to Lessor and so long as levy and execution thereon have been stayed and continue to be stayed, no civil damages or criminal penalty would be incurred by Lessor and no lien or charge would be imposed upon or satisfied out of the Equipment by reason of such contest, and the Lessee shall hold Lessor harmless from any such damages, penalty, lien or charge.

(b) Each item of Equipment is and shall remain personal property and shall not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that such item or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. No Right, title or interest in any item of Equipment shall pass to, or be owned, held or claimed by Lessee, except the Right to maintain possession and use of such item during the term and subject to the provisions of this Agreement so long as no Default, or event which, with notice or lapse of time, or both, would become a Default, has occurred and is continuing hereunder, and except such Right, title and interest which may pass to Lessee by reason of its option to purchase such of the Equipment pursuant to Article 12 hereof.

(c) Upon Lessor's request, Lessee shall, at Lessor's expense, affix and keep affixed in or on any item of Equipment, labels, plates or other markings, acceptable in design, placement and content to Lessor, stating that Lessor is the "owner-lessor" of such item of Equipment; provided, however, that Lessee shall not be required to affix any such materials if in the reasonable judgment of Lessee such affixation would interfere with the use of such Equipment for its intended application.

ARTICLE 5. TAX ELECTION AND INDEMNITY.

5.1. Assumption. This Agreement is being entered into on the assumption that for Federal income tax purposes, Lessor will be treated as the owner and lessor of the Equipment.

5.2. Reporting Requirements. The parties hereto hereby agree that neither Lessor, Lessee, nor any Person controlled by, in control of, or under common control with Lessor or Lessee, directly or indirectly, will at any time take any action or file any return or other document which is inconsistent with the assumption described in Section 5.1.

5.3. Taxes and Other Charges. Lessee shall pay, in addition to the payment of the Basic Rent, prior to the delinquency thereof, each and every lawful cost, expense and obligation of every kind and nature, foreseen or unforeseen, for the payment of which Lessee is or shall become liable by reason of its estate or interest in the Equipment, or any portion thereof or by reason of or in any manner connected with or arising out of the possession, operation, maintenance, alteration, repair, rebuilding, use or occupancy of the Equipment, or any part thereof. Lessee shall pay and discharge, prior to the delinquency thereof, all lawful ad valorem taxes, sales or use taxes, business and occupation taxes, occupation license taxes, water charges, or sewage disposal charges, imposed on the Equipment, and all other governmental taxes, impositions, and charges of every kind and nature, ordinary or extraordinary, general or special, foreseen or unforeseen, whether similar or dissimilar to any of the foregoing, and all applicable interest and penalties, if any, which at any time during the Primary Term in respect of any Equipment shall be or become due and payable by Lessee or Lessor because of their respective Rights or obligations under this Agreement and which shall be lawfully levied, assessed or imposed in respect of such Equipment under or by virtue of any present or future law, statute, ordinance, regulation or other requirement of any governmental authority, whether federal, state, county, city, municipal, school or otherwise, provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as are required to be paid during such Primary Term. Lessee, upon written notice thereof to Lessor, may contest in good faith any such tax, imposition, charge or assessment levied by any governmental authority, and in such event may permit such tax, imposition, charge or assessment to remain unsatisfied during the period of such contest and any appeal therefrom and so long as no civil damages or criminal penalty would be incurred by Lessor and no lien or charge would be imposed upon or satisfied out of the Equipment by reason of such contest, and any appeal therefrom, and the Lessee shall indemnify and hold Lessor harmless from any such damages, penalty, lien or charge. Lessee also agrees to pay or cause to be paid all lawful charges for utilities and services used, rendered or supplied to, upon or in connection with, the Equipment. Lessee shall furnish to Lessor promptly upon request proof of the payment of any such tax, assessment or other governmental or similar charge, or any utility charge which is payable by Lessee as set forth above.

ARTICLE 6. WARRANTIES BY LESSOR OR VENDOR; MAINTENANCE

6.1. No Warranty. LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, TITLE, DESIGN, OPERATION, FITNESS FOR USE OR SUITABILITY OF THE EQUIPMENT OR ANY COMPONENT THEREOF IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND AND CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO, AND LESSEE IS LEASING THE EQUIPMENT "AS IS, AND WITH ALL FAULTS," AND LESSOR SHALL NOT BE LIABLE FOR ANY ACTUAL, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES OF OR TO ANY PERSON WHATSOEVER WITH RESPECT THERETO.

6.2. Assignment of Factory Warranties. Lessor hereby assigns to Lessee, for and during the term of this Agreement, and thereafter in the event that Lessee shall acquire any item of Equipment as provided herein, applicable factory, installer, supplier or other vendor warranties, if any, express or implied, issued with respect to any of the Equipment, and hereby authorizes Lessee, during the Primary Term, to obtain the customary service furnished in connection therewith by the seller, manufacturer, installer, supplier or other vendor thereof, at Lessee's sole expense; provided, however, that in the event any such warranties are not assignable, Lessor will, at Lessee's sole cost and expense, co-operate with Lessee to the end that Lessee shall have the benefit of such warranties.

6.3. Maintenance and Operation. Lessee, at its expense, shall maintain, service and repair the Equipment to the same extent that Lessee would, in the prudent management of its properties, maintain, service and repair similar equipment owned by Lessee and in any event, in accordance with prudent industry standards, including without limitation, the frequency and scope of such maintenance, service and repair, and in accordance with all requirements of applicable Law, with the terms of all applicable insurance policies, and with all warranties relating to the components thereof.

ARTICLE 7. RISK OF LOSS; INSURANCE.

7.1. Risk of Loss. Lessor shall not be liable to Lessee for any risk of loss of or damage to any item of Equipment or for the use, operation, maintenance, repair and storage thereof.

7.2. Insurance. Lessee shall, at Lessee's expense, obtain and maintain at all times during the term of this Agreement, or cause to be obtained and maintained, or provide through a self insurance program, fire and extended coverage, public liability and property damage insurance for both Lessor's and Lessee's respective interests with respect to the Equipment in such amounts, and covering such risks, as are customarily insured against in connection with the ownership or operation of equipment of comparable type and size. Subject to the right of Lessee to self insure by such method and in such manner as is reasonably acceptable to Lessee, each insurance policy will name Lessee as an insured, and Lessor as an additional insured as its interests may appear, and will contain a clause requiring the insurer to give Lessor at least 30 days prior written notice of any alteration in the terms of such policy or the cancellation thereof, and shall provide that losses shall be adjusted with and paid to Lessee and shall be applied as provided in Section 7.3.

7.3. Loss, Damage, and Destruction. In case any damage to or destruction of any part of the Equipment occurs, the settlement and compromise of any insurance claims shall be negotiated solely by Lessee and so long as Lessee either repairs and restores such Equipment to its fully operational condition just prior to such casualty or replaces such Equipment with equipment of a like kind, character, quality and condition as the Equipment just prior to such casualty, all insurance proceeds shall be paid to and shall be the property of Lessee. In the event any item of Equipment, or any portion thereof, is taken by eminent domain, the total amount of any condemnation awards paid or payable to Lessor or Lessee shall be apportioned between Lessor and Lessee in a reasonable manner according to the damage suffered by each as a result of such taking, taking into consideration the remaining duration of the Primary Term in respect of such Equipment and Lessor's residual interest therein. Notwithstanding any provision in this Agreement to the contrary, no settlement of any insurance claim or condemnation award with respect to the Equipment shall be made by Lessor or Lessee without the prior written approval of the other party to this Agreement. Lessee may, in its sole discretion, use such insurance or condemnation proceeds received by Lessee for the repair or restoration of the Equipment, but in the event Lessee fails to repair or replace said Equipment, the total amount of such insurance proceeds paid or payable to Lessor or Lessee shall be apportioned between Lessor and Lessee in a reasonable manner according to the damage suffered by each as a result of such casualty, taking into consideration the remaining duration of the Primary Term in respect of such Equipment and Lessor's residual interest therein (taking into consideration the remaining duration of the Primary Term in respect of such Equipment).

ARTICLE 8. LESSEE'S OPTION TO TERMINATE.

8.1. Equipment Obsolete or Surplus. Notwithstanding any provision contained herein to the contrary, in the event that Lessee shall in good faith determine that the Equipment has become obsolete or surplus to Lessee's requirements or that repair or use of the Equipment has become uneconomical to Lessee, Lessee shall have the Right, at Lessee's option, at any time during the Primary Term and on at least 30 days' prior written notice to Lessor, to terminate this Agreement with respect to such Equipment on the date (the "Termination Date") specified in such notice.

ARTICLE 9. REDELIVERY.

9.1. Redelivery. Upon the expiration of the Primary Term in respect of each item of Equipment, or any prior termination of this Agreement for any reason, Lessee shall return such item of Equipment to Lessor free and clear of all liens, encumbrances, taxes, impositions and charges of every kind and nature, ordinary or extraordinary, general or special, foreseen or unforeseen (except Permitted Liens, Rights of Lessor and Lessor's Liens), provided, however, that any Taxes or other liabilities which have accrued, but which are not yet payable, at the expiration of the Primary Term, shall be paid or discharged by the Lessee as provided herein. In addition, subject to the Lessee's rights to determine that the Equipment has become obsolete or surplus, or that repair or use thereof has become uneconomical to Lessee as provided in Section 8.1, such Equipment shall be returned to Lessor in such condition as the Lessee shall have deemed appropriate for its own uses. Any item of Equipment not delivered in accordance with this Section shall continue to be subject to all of the Rights and duties of the parties set forth in this Agreement.

ARTICLE 10. LEASING; ASSIGNMENTS

10.1. Leases and Operating Contracts. Lessee may sublease any part of the Equipment or contract for the performance by others of operations or services of or in connection with the Equipment or any part thereof, for any lawful purpose, provided that (a) each such sublease or contract shall not be inconsistent with the provisions of this Agreement, and (b) Lessee shall remain fully obligated and responsible under the provisions of this Agreement to the same extent as if such sublease or contract had not been executed.

10.2. Assignment. Lessee shall not assign its interest in this Agreement, or any part thereof, or any of its rights or obligations hereunder except as specifically provided in this Agreement. Lessee may assign all or any part of its interest in this Agreement to another party, including without limitation an Affiliate (as hereinabove defined) of Lessee, provided that Lessee, under the terms of any such assignment, shall remain and be primarily responsible and liable for all of its obligations hereunder, including particularly the making of all payments required hereunder when due. Lessee may assign all or any part of its interest in this Agreement to another party in connection with a merger or consolidation of Lessee, or in connection with the transfer of all or substantially all of its assets. If Lessee should transfer all or substantially all of its assets, the transferee of such assets shall succeed to and be substituted for Lessee under this Agreement with the same effect as if such transferee had been named as a party herein. However, no such assignment or transfer shall be effective unless the surviving corporation, successor corporation or transferee of such assets shall have irrevocably and unconditionally assumed, in an instrument delivered to Lessor, the due and prompt performance of the obligations of the assignor or transferor under this Agreement. Lessee shall notify Lessor in writing within thirty (30) days after any such assignment or transfer of this Agreement is consummated.

ARTICLE 11. DEFAULT AND REMEDIES.

11.1. Default. The term "Default" means the occurrence of either of the following events:

(a) Lessee fails to make any payment of Basic Rent within 30 days of the date on which Lessor notifies Lessee that such Basic Rent has not been paid as and when the same became due and payable.

(b) Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by Lessee under this Agreement, and such breach shall not have been cured within

60 days of delivery of notice of such breach to Lessee by Lessor, unless such breach, by its nature, cannot be cured within such 60 day period, in which case so long as Lessee is diligently proceeding to cure such breach in accordance with the terms of this Agreement, it shall not be deemed a Default.

11.2. Remedies. Upon the occurrence of a Default, Lessor may exercise either or both of the following remedies, unless otherwise limited by a written agreement executed by Lessor:

(a) Terminate this Agreement, in which event Lessee shall immediately surrender the Equipment to Lessor as provided in Section 9.1 hereof; or

(b) Pursue any other remedy now or hereafter available to Lessor under the Laws.

Each Right of Lessor provided for in this Agreement shall be exercised only upon a Default and shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise, in any jurisdiction where such rights, powers and remedies are sought to be enforced, and the exercise or beginning of the exercise by Lessor of any one or more of the Rights provided for in this Agreement as now or hereafter existing at law or in equity or by statute, or otherwise shall not preclude the simultaneous or later exercise by Lessor of any or all such other Rights.

ARTICLE 12. LESSEE'S FAIR MARKET VALUE PURCHASE OPTION.

12.1. Grant of Option. Lessee is hereby granted an option (the "Option"), pursuant to and subject to the conditions of this Section, to acquire any item of the Equipment from Lessor for its Fair Market Value. The Option may be exercised, provided the Lessee is not in Default of this Agreement, at any time, or from time to time with respect to any or all items of Equipment. The determination of the Fair Market Value of one or more items of Equipment shall occur in the manner described hereinbelow. Lessee may assign its rights to such Option to an Affiliate of Lessee, or Lessee may designate an Affiliate of Lessee as the purchaser of the Equipment in the event Lessee exercises such Option.

12.2. Method of Exercise of Option. If Lessee desires to exercise the Option with respect to any item of Equipment, it shall give to Lessor a notice of intent, specifying the items of Equipment to be purchased (a "Notice of Intent"). The giving of a Notice of Intent shall constitute Lessee's request for determination of Fair Market Value of the Equipment identified in the Notice of Intent pursuant to Section 12.3 below. If Lessee has given a Notice of Intent, then Lessee shall have the right to exercise the Option by giving written notice of such exercise to Lessor within 180 days after the date of the determination of the Fair Market Value (i.e., any determination of Fair Market Value shall remain effective for 180 days). Lessee shall not be obligated to exercise the Option under this Section after the date of the determination of the Fair Market Value, nor shall it have any liability for failure to close after such exercise. Failure to exercise the Option by Lessee shall not prevent Lessee from giving a Notice of Intent at a later date. If Lessee fails to purchase the Equipment after a Notice of Intent with respect thereto is given by Lessee pursuant to this paragraph, then Lessee shall pay, or reimburse Lessor for, all costs and expenses incurred by Lessor in connection with the determination of the Fair Market Value of such Equipment and the preparation for consummation of a closing with respect to Lessee's exercise of the Option.

12.3. Determination of Fair Market Value.

(a) The giving of a Notice of Intent under Section 12.2 above shall constitute a request for a determination of the fair market value of the Equipment identified therein as of the date of the giving of the Notice of Intent (the "Fair Market Value"). The date of the giving of the Notice of Intent is the "Appraisal Date." Lessor and Lessee shall attempt to agree in writing on the Fair Market Value, but if they do not do so within 20 days after the Appraisal Date, the Lessee shall appoint an Independent Appraiser

(as hereinafter defined) and the Lessor, in its sole discretion, may also appoint an Independent Appraiser. If either party fails to appoint an Independent Appraiser as provided above, the Independent Appraiser timely appointed by the other party shall make his determination of Fair Market Value within 75 days after the Appraisal Date.

(b) If only one Independent Appraiser is timely appointed as provided above, that Independent Appraiser shall determine the Fair Market Value within 75 days after the Appraisal Date.

(c) If two Independent Appraisers are timely appointed as provided above, and if they fail to agree on the Fair Market Value within 75 days after the Appraisal Date:

(i) if the difference between the appraisals is 3% or less of the amount of the higher appraisal, the Fair Market Value shall be the average of the two appraisals; or

(ii) if the difference between the appraisals is greater than 3% of the amount of the higher appraisal, the two Independent Appraisers shall appoint a third Independent Appraiser, who shall make his determination of Fair Market Value within 120 days after the Appraisal Date, and the Fair Market Value shall be (A) the appraisal that is neither the highest nor the lowest of the three appraisals, or (B) if two of the appraisals are the same, the amount of such identical appraisals.

(d) The Fair Market Value determined in accordance with the provisions of this Section shall be deemed to be the Fair Market Value as of the date of the closing of the acquisition under Section 12.5 below.

(e) The Independent Appraisers shall give written notice to Lessor and Lessee of the determination of the Fair Market Value at the same time. The date of the giving of such written notice shall be the "date of the determination of the Fair Market Value" as used in this Article.

(f) Subject to the provisions of Section 12.2 hereof which require that Lessee pay or reimburse Lessor for its costs under certain circumstances, each party shall bear the costs and expenses of the Independent Appraiser appointed by that party. In the event a third Independent Appraiser is appointed as provided in Section 12.3(c)(ii) above, the costs and expenses of such appraiser shall be borne equally by Lessor and Lessee.

(g) For purposes of this Section, the term "Independent Appraiser" shall mean a person or firm experienced in appraising the value of property similar to the Equipment, which individual or firm shall not be an Affiliate of either party to this Agreement or to the Cities of Dallas and Fort Worth, Texas.

12.4. Terms and Conditions of Purchase. In the event that any item or items of Equipment are to be acquired by Lessee, or an Affiliate of Lessee, (a) the closing of such acquisition shall occur in such place as Lessor and such purchaser shall mutually determine, (b) the closing shall occur on a date designated by such purchaser (by at least 10 day's advance written notice thereof to Lessor) not later than 60 days after such purchaser exercises the Option (the "Acquisition Closing Date"), (c) the purchase price shall be paid in cash unless otherwise agreed by Lessor and the purchaser, (d) the items of Equipment shall be conveyed to such purchaser pursuant to a special warranty deed subject only to the Permitted Liens, and (e) Lessor shall execute and deliver such other documentation as shall be necessary to vest title to the items of Equipment in such purchaser. Notwithstanding any other provision of this Agreement, the expiration or termination of this Agreement for any reason after the date that a Notice of Intent has been given shall not affect the rights of Lessee under this Article to complete the process of the determination of Fair Market Value and to exercise and close under the Option, all of which rights shall survive any such expiration or termination.

ARTICLE 13. MISCELLANEOUS.

13.1. **Notices.** Whenever any notice, approval, consent or demand is required or permitted hereunder, it must be in writing, and shall be deemed to be delivered if sent by United States certified or registered mail, postage prepaid, (a) if to Lessee, addressed to Lessee at P.O. Box 619616, D/FW Airport, Texas 75261-9616, Attention: Vice President - Corporate Services MD4213CP1V, with copies to: Johnson & Gibbs, P.C., 900 Jackson Street, Suite 100, Dallas, Texas 75202-4499, Attention: H. Edward Toles III, or at such other address as Lessee as from time to time may have designated by written notice to Lessor, or such other counsel's address as Lessee may from time to time designate in writing to Lessor, and (b) if to Lessor, addressed to Lessor at 3200 East Airfield Drive, P.O. Drawer DFW, Dallas-Fort Worth Airport, Texas 75261, Attention: Executive Director, or at such address as Lessor may have designated, from time to time, by written notice to Lessee. Any notice, certificate, demand, request, consent, approval or other similar instrument shall be effective when actually received in writing without regard to the method of delivery.

13.2. **Consents.** The consent or approval by either party to or of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act. No custom or practice of the parties shall constitute a waiver of any party's Right to insist upon strict compliance with the terms of this Agreement.

13.3. **Invalid Provisions.** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future Laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such provision had never comprised a part thereof; and the remaining portions of this Agreement shall remain in full force and effect and shall not be affected by such provision or by its severance. Furthermore, in lieu of each such provision there shall be added automatically to this Agreement a provision as similar in terms as may be possible and be legal, valid and enforceable.

13.4. **Successors and Assigns.** The terms and conditions contained in this Agreement shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors and assigns.

13.5. **Multiple Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes, and all of which shall constitute, collectively, one agreement.

13.6. **Governing Law.** THE SUBSTANTIVE LAWS OF THE STATE OF TEXAS SHALL GOVERN THE VALIDITY, CONSTRUCTION, ENFORCEMENT AND INTERPRETATION OF THIS AGREEMENT, THE RIGHTS OF THE PARTIES HEREUNDER, AND THE OWNERSHIP RIGHTS IN AND TO THE EQUIPMENT.

13.7. **Venue.** Venue on any suit brought hereunder shall lie exclusively in Dallas or Tarrant County, Texas.

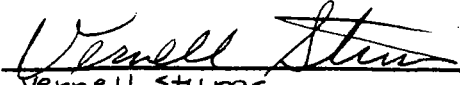
13.8. **Separate Leases.** Each item of Equipment shall be deemed for all purposes to be the subject of a separate lease from each other item, each such separate lease to be identical to this Agreement, insofar as Lessee relates to that item to the end that any invalidity or termination of this Agreement shall affect only such item, and this Agreement will remain valid with respect to all other Equipment.

13.9. **Entirety and Amendments.** THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS BY THE PARTIES.

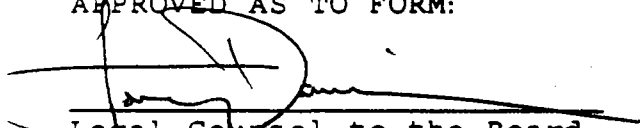
THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES PERTAINING TO THE SUBJECT MATTER HEREOF. This Agreement embodies the entire written agreement between the parties pertaining to the subject matter hereof, supersedes all prior written agreements and understandings, if any, relating to the subject matter hereof, and may be amended only by an instrument executed jointly by authorized officers of Lessor and Lessee and supplemented only by documents delivered in accordance with the express terms hereof.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

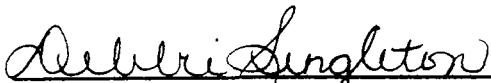
DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD

By 
Name: Vernell Stums
Title: Deputy Executive Director

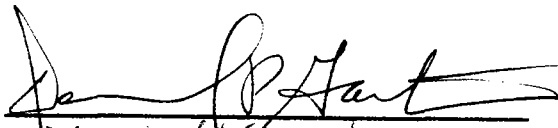
APPROVED AS TO FORM:


Legal Counsel to the Board
For Gary Kene

ATTEST:


Staff Secretary to the Board

AMERICAN AIRLINES, INC.

By 
Name: DANIEL J. GARTON
Title: VICE PRESIDENT and TREASURER

ATTEST:


Corporate Secretary

Exhibit A

EQUIPMENT SCHEDULE NO. 1

EQUIPMENT SCHEDULE dated as of December 28, 1990 between Dallas-Fort Worth Regional Airport Board, as "Lessor," and American Airlines, Inc., as "Lessee."

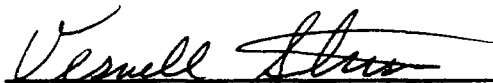
Lessor and Lessee have heretofore entered into that certain Master Equipment Lease Agreement dated as of December 1, 1990 (the "Lease"). The Lease provides for the execution and delivery of Equipment Schedules substantially in the form hereof for the purpose of delivering Equipment under and pursuant to, and subjecting Equipment to, the terms of the Lease. All defined terms used herein shall have the same respective meanings as given such terms in the Lease, unless otherwise indicated herein.

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, Lessor and Lessee hereby agree as follows:

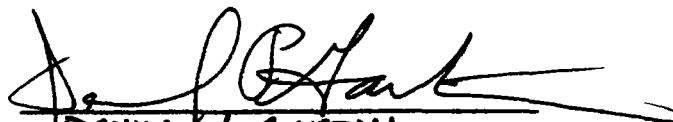
1. Lessor hereby delivers and leases to Lessee under and pursuant to the Lease, and Lessee hereby accepts and leases from Lessor under and pursuant to the Lease, the Equipment described in Annex I hereto.
2. Lessee confirms each of the representations and warranties set forth in Article 4 of the Lease.
3. This Equipment Schedule shall be deemed a supplement to, and shall be made a part of, the Lease for all purposes.
4. This Equipment Schedule may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Equipment Schedule to be executed by their duly authorized representatives as of the date and year first above written.

DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD

By: 
Name: VERNELL STURNS
Title: DEPUTY EXECUTIVE DIRECTOR

AMERICAN AIRLINES, INC.

By: 
Name: DANIEL J. CARTON
Title: VICE PRESIDENT AND TREASURER

ANNEX I

TO

EQUIPMENT SCHEDULE NO. 1

| DESCRIPTION OF EQUIPMENT | EQUIPMENT COST |
|--------------------------------|----------------|
| 1. Furniture (Project No. 228) | \$ 243,165.45 |

Initial Location:

American Airlines Flight Academy
4601 Highway 360
Fort Worth, Texas

Acceptance Date (commencement of Primary Term): ~~December 28, 1990~~

Termination Date (end of Primary Term): June 28, 1998

ANNEX I

TO

EQUIPMENT SCHEDULE NO. 1

| DESCRIPTION OF EQUIPMENT | EQUIPMENT COST |
|--|----------------|
| 1. Furniture and Fixtures (Project No. 160L) | \$ 254,024.28 |
| 2. Communications Equipment (Project No. 160L) | \$ 59,667.60 |
| 3. Furniture (Project No. 307) | \$ 26,370.00 |
| 4. Furniture (Project No. 415A) | \$ 29,372.01 |
| 5. Furniture (Project No. 415B) | \$ 31,031.95 |
| 6. Furniture (Project No. 189) | \$ 876,653.87 |

Initial Location:

Dallas-Fort Worth International Airport
P.O. Drawer DFW Airport
DFW Airport, Texas

Acceptance Date (commencement of Primary Term): December 28, 1990

Termination Date (end of Primary Term): June 28, 1998

ANNEX I

TO

EQUIPMENT SCHEDULE NO. 1

| DESCRIPTION OF EQUIPMENT | EQUIPMENT COST |
|--------------------------|------------------|
| 1. MD11 Simulator | \$ 11,323,034.83 |
| 2. B757 Simulator | \$ 8,416,361.06 |

Initial Location:

American Airlines Flight Academy
4601 Highway 360
Fort Worth, Texas

Acceptance Date (commencement of Primary Term): December 28, 1990

Termination Date (end of Primary Term): December 28, 2005

ANNEX I

TO

EQUIPMENT SCHEDULE NO. 1

| DESCRIPTION OF EQUIPMENT | EQUIPMENT COST |
|---|----------------|
| 1. Jet Bridge Rehabilitations (Project No. 115B) | \$ 443,943.13 |

Initial Location:

Dallas-Fort Worth International Airport
P.O. Drawer DFW Airport
DFW Airport, Texas

Acceptance Date (commencement of Primary Term): December 28, 1990

Termination Date (end of Primary Term): December 28, 1999

ANNEX I

TO

EQUIPMENT SCHEDULE NO. 1

| DESCRIPTION OF EQUIPMENT | EQUIPMENT COST |
|---|-----------------|
| 1. Computers and Peripherals (Project No. 189) | \$ 3,222,906.89 |

Initial Location:

Dallas-Fort Worth International Airport
P.O. Drawer DFW Airport
DFW Airport, Texas

Acceptance Date (commencement of Primary Term): December 28, 1990

Termination Date (end of Primary Term): June 28, 1995