

**NOTICE OF DEBTORS' PROPOSED REJECTION OF FACILITIES AGREEMENT  
TO HOLDERS OF  
DALLAS/FORT WORTH INTERNATIONAL AIRPORT  
FACILITY IMPROVEMENT CORPORATION  
AMERICAN AIRLINES, INC.  
\$131,735,000 REVENUE REFUNDING BONDS, SERIES 2007  
(the "BONDS")**

CUSIP Affected: 235035BY7\*

**NOTE: THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE SUBJECT BONDS. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS, AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO BENEFICIAL OWNERS OF THE BONDS IN A TIMELY MANNER.**

Manufacturers and Traders Trust Company is the indenture trustee (the "Trustee") under a Trust Indenture dated as of June 1, 2007 (the "Indenture") between Dallas-Fort Worth International Airport Facility Improvement Corporation (the "Authority") and the Trustee, pursuant to which the Bonds were issued in the original principal amount of \$131,735,000. The Bonds were issued to provide all or a portion of the funds to refund the Authority's then outstanding American Airlines, Inc. Revenue Bonds, Series 1992. In conjunction with the execution of the Indenture, the Authority and American Airlines, Inc. ("American") entered into that certain Facilities Agreement dated as of June 1, 2007 (the "Facilities Agreement") pursuant to which American agreed to make payments sufficient to provide for the payment of the principal of, redemption premium, if any, and interest on the Bonds, when due. Pursuant to the Indenture, the Authority assigned to the Trustee all right, title and interest of the Authority in and to the Facilities Agreement. Additionally, AMR Corporation ("AMR") and the Trustee entered into a Guaranty dated as of June 1, 2007 (the "Guaranty"), pursuant to which AMR unconditionally guaranteed the payment of the principal of, redemption premium, if any, and interest on the Bonds, when due. The original principal amount of the Bonds remains outstanding. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Indenture, the Facilities Agreement or the Guaranty, as applicable.

**Chapter 11 Filing and Event of Default**

As previously reported, on November 29, 2011 (the "Petition Date"), American, AMR and eighteen (18) affiliates (collectively, the "Debtors") filed voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code (the "Chapter 11 Filing") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). The main case number is 11-15463 (SHL). American's Chapter 11 Filing constitutes an Event of Default under Section 5.1(c) of the Facilities Agreement, and AMR's Chapter 11 Filing constitutes an Event of Default under Section 2.4(a)(5) of the Guaranty, which constitute Events of Default under Sections 11.1(c) and 11.1(g), respectively, of the Indenture.



## **Debtors' Rejection Motion**

On February 23, 2012, the Debtors filed a motion (the "Rejection Motion") with the Bankruptcy Court seeking entry of an order authorizing the Company to reject (terminate) the Facilities Agreement. A copy of the Rejection Motion is appended as an exhibit to this notice. The Debtors do not seek at this time to reject the leases and other agreements that govern the Debtors' right to use or occupy the premises that were constructed and/or improved with the Bond proceeds or to terminate the use of equipment acquired with the proceeds of the Bonds. The Trustee is currently reviewing the Rejection Motion with its legal counsel to determine the appropriate response. **Objections to the Rejection Motion must be filed with the Bankruptcy Court on or before 4:00 p.m. EDT on March 15, 2012. A hearing to consider the relief requested by the Debtors in the Rejection Motion will be conducted by the Bankruptcy Court on March 22, 2012 at 10:00 a.m. EDT, Courtroom 701.** The address of the Bankruptcy Court is One Bowling Green, New York, New York 10004.

## **Remedies/Direction to the Trustee**

Under Section 11.6 of the Indenture, the holders of a majority in principal amount of the Bonds Outstanding have the right, after furnishing indemnity satisfactory to the Trustee, to direct the method and place of conducting all proceedings by the Trustee to be taken in connection with the enforcement of the Trustee's rights and remedies under the Indenture, the Facilities Agreement and the Guaranty provided such direction is not otherwise than in accordance with law or the provisions of the Indenture. The Bondholders' ability to direct the Trustee is further subject to the requirements of, *inter alia*, Section 11.6 and Article XII of the Indenture, which, among other things, state that the Trustee shall be under no obligation to institute any suit or to take any remedial action under the Indenture or any other documents relating to the Bonds until it shall be indemnified to its satisfaction against any and all reasonable costs, expenses, and liabilities, including counsel fees and other disbursements.

## **Retention of Counsel**

The Trustee has retained the law firm of Drinker Biddle & Reath LLP and specifically, Kristin Going of that firm, to represent it in connection with the Chapter 11 Filing, the Events of Default, and the Bonds. Ms. Going's address is Drinker Biddle & Reath LLP, 1500 K Street, N.W., Suite 1100, Washington, D.C. 20005 and her telephone number is 202-230-5177.

## **Trustee's Fees and Expenses**

Manufacturers and Traders Trust Company, in its capacity as Trustee for the Bonds, has incurred and will continue to incur fees and expenses, including attorney's fees, from time to time. The payment of the Trustee's fees, expenses and disbursements and the reasonable fees and expenses of its counsel shall be paid pursuant to the Indenture, as well as any indemnities owing or to become owing, prior to the payment of the Bonds. These expenses include, but are not limited to, compensation for Trustee time spent and the fees and costs of counsel and other agents, and its employees, to pursue remedies or other actions to protect the interests of holders.

### **Website for Accessing Certain Publicly Available Information**

Certain publicly available information which may be of interest to Bondholders, including the Rejection Motion described in the previous section of this notice, as well as prior notices given to Bondholders by the Trustee, is available to Bondholders through a special link on the website of the Trustee's counsel. Bondholders wishing to access this information should go to the following web page: [www.drinkerbiddle.com/americanairlinesbondholders](http://www.drinkerbiddle.com/americanairlinesbondholders).

### **Future Events**

The Trustee will periodically communicate with all holders through written notice of material events of a public nature of which the Trustee has knowledge.

### **Future Communications with Trustee**

If you have any questions concerning this notice, inquiries may be directed to Dante (Dan) M. Monakil at the Trustee at (410) 949-3268 or [dmonakil@mtb.com](mailto:dmonakil@mtb.com) or to Kristin Going at Drinker Biddle & Reath LLP at (202) 230-5177 or [Kristin.Going@dbr.com](mailto:Kristin.Going@dbr.com). The Trustee may conclude, however, that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. Holders should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no investment advice.

Manufacturers and Traders Trust Company,  
as Trustee

Dated: March 2, 2012

\* The Trustee makes no representation as to the accuracy of the CUSIP number provided herein.