

Summary of the Minutes of a Regular Meeting
of the Board of Directors of American Airlines, Inc.
held June 20, 1951

There were present at the meeting Directors Ames, Benedict, Bruce, Cheston, Conroy, Douglas, Farley, Jackson, Kemp, Miller, Mosier and Smith.

1. The minutes of the previous meeting held May 16, 1951 were approved.
2. The Treasurer presented and explained financial statements of the corporation prepared as of May 31, 1951.
3. A report was submitted showing that management had approved since the last meeting of the Directors, capital expenditures totaling \$133,139 for the corporation and \$2,178 for American Airlines de Mexico, S. A.

The Directors approved expenditure of \$1,635,000 for purchase and installation of CB-16 engine conversion kits for conversion of 250 DC-6 R-2800-34M engines.

4. The Chemical Bank and Trust Company of New York was added to the list of banks with which the corporation is authorized to open and maintain payroll bank accounts.
5. The Directors took the following action in connection with the establishment of suitable passenger terminal facilities in the Borough of Manhattan, New York:
 - a. Authorized the President or any Vice President, on advice of counsel, to enter into an agreement with East Side Airlines Terminal Corporation in connection with the Terminal Corporation's agreement with Triborough Bridge and Tunnel Authority, to assure construction by the Triborough Authority of a terminal building costing approximately \$5,500,000, and the sublease of space in the terminal building to the corporation.
 - b. Approved the form of lease and guaranty of the lease between East Side Airlines Terminal Corporation and Triborough Bridge and Tunnel Authority dated June 20, 1951.
 - c. Authorized a contribution by the corporation to the capital of Manhattan Air Terminals, Inc., in the principal amount of \$671,185 and additional contributions not to exceed \$825,000 in the aggregate.
 - d. Authorized the President or any Vice President to execute a guaranty of lease (together with each of the other stockholders of Central Air Terminals, Inc.), which will guaranty the obligations of Central Air Terminals, Inc. as tenant, under a lease agreement which it proposes to enter into with the owner of the Airlines Terminal Building at 80 East 42nd Street, New York, at an annual rental of \$268,000 for a term of 21 years.
 - e. Authorized the President or any Vice President to execute a guaranty, (together with each of the other stockholders of West Side Airlines Terminal Corporation), which will guarantee the obligations of West Side Airlines Terminal Corporation, as tenant, under a lease agreement which

it proposes to enter into with the owners of the West Side Airlines Terminal Building, 42nd Street and 10th Avenue, New York, at an annual rental of \$55,000 for a term of 20 years.

6. Mr. Mosier presented and discussed tentative plans for the October meeting of the Directors to be held in Mexico City.
7. The Chairman reported the sale of 257,690 shares of the corporation's \$1 par value Common Stock by the Avco Manufacturing Corp.
8. Mr. Deichler reported on traffic trends, plans for promoting air cargo and passenger service matters.
9. The Chairman reviewed the status of negotiations between the corporation and the Air Lines Pilots Association for a new contract.
10. It was decided that the regular August meeting of the Directors would not be held.