

RESOLUTIONS TO BE ADOPTED
BY THE BOARD OF DIRECTORS
OF AMERICAN AIRLINES, INC.,
ON OCTOBER 20, 1944

BE IT RESOLVED that the Board of Directors of this corporation deems and declares it advisable that Article FOURTH of the Certificate of Incorporation of this corporation, as amended, shall be again amended by striking out all of the provisions thereof, and substituting in lieu thereof a new Article FOURTH, to read as follows:

(Herein insert amendment in full)

and be it further

RESOLVED that a special meeting of the holders of the Common Stock of this corporation shall be held at the statutory office of the corporation, 927 Market Street, Wilmington, Delaware, on December 6, 1944, at eleven o'clock A.M., Eastern War Time, for the purpose of considering and acting upon the proposal to amend the Certificate of Incorporation, as amended, of the corporation in accordance with the foregoing recommendations of the Board of Directors, and to authorize the creating of options upon all or any of the Personnel Stock of the corporation, upon the terms and conditions set forth in the Proxy Statement distributed with the Notice of this Meeting, and to consider and act upon any other matters which may lawfully come before the meeting, or at any adjournment or adjournments thereof; and be it further

RESOLVED that A. N. Kemp, C. A. Rheinstrom and Harry Benedict are hereby constituted a proxy committee to be named as the representatives of the present management of the corporation in the proxies to be mailed to all of the Common Stockholders of the corporation in connection with the special stockholders' meeting to be held December 6, 1944; and be it further

RESOLVED that the Secretary of the corporation with the assistance of the General Counsel for the corporation, be authorized to prepare and cause to be mailed to all of the holders of the Common Stock of the corporation entitled to receive the same, notices of said special stockholders' meeting to be held December 6, 1944, accompanying proxy to be solicited in behalf of the present management of the corporation, and Proxy Statement prepared in accordance with the rules and regulations of the Securities and Exchange Commission, copies of which notice, proxy and Proxy Statement have been submitted to the Board for consideration and are hereby approved in substance and in form, with authority to the officers of the corporation, in cooperation with the General Counsel of the corporation, to make such changes therein as they may hereafter deem necessary or advisable; and be it further

RESOLVED that R. L. Spurgeon and Henry Bauer shall be and are hereby named judges to canvass the vote at said special stockholders' meeting and file their report regarding the proposed amendment of the Certificate of Incorporation, as amended, and upon any other proposals or matters which may be brought before the stockholders; and be it further

RESOLVED that the hour of three o'clock P.M., Eastern War Time, November 6, 1944, shall be and is hereby fixed as the record date for determining the holders of the Common Stock of the corporation entitled to receive notice of and to vote at the special meeting of the holders of the Common Stock of the corporation called to be held on December 6, 1944, or at any adjournment or adjournments thereof, and that only holders of record at the hour and date so fixed by these resolutions shall be entitled to receive notice of and to vote at said meeting of the Common Stockholders of the corporation on December 6, 1944, or at any adjournment or adjournments thereof.

RESOLUTIONS TO BE ADOPTED BY THE
BOARD OF DIRECTORS OF AMERICAN
AIRLINES, INC. OCTOBER 20, 1944
CALLING FOR REDEMPTION ALL OF THE
OUTSTANDING \$4.25 CUMULATIVE CON-
VERTIBLE PREFERRED STOCK OF THE
CORPORATION

RESOLVED that all of the outstanding shares of the \$4.25 Cumulative Convertible Preferred Stock of this corporation shall be and the same are hereby called for redemption on January 15, 1945, at the redemption price of \$106 per share, plus accrued dividends to said date amounting to \$1.0625 per share; and be it further

RESOLVED that the close of business December 11, 1944, shall be and is hereby fixed as the record date for determining the holders of the corporation's outstanding \$4.25 Cumulative Convertible Preferred Stock, entitled to receive notice of the intention of the corporation to redeem the whole of said outstanding \$4.25 Cumulative Convertible Preferred Stock on January 15, 1945, and that appropriate notice of the redemption of said shares of \$4.25 Cumulative Convertible Preferred Stock shall be sent by the Secretary of the corporation to the holders of said shares of \$4.25 Cumulative Convertible Preferred Stock of record at the close of business December 11, 1944, and that such notices shall be given at least thirty days prior to January 15, 1945, by mailing said notices, postage prepaid to the said holders of record of the \$4.25 Cumulative Convertible Preferred Stock at their respective addresses as the same shall appear on the stock transfer records of the corporation; and be it further

RESOLVED that Schroder Trust Company, 46 William Street, New York, New York, shall be and is hereby designated the Redemption Agent to redeem any shares of said outstanding \$4.25 Cumulative Convertible Preferred Stock which may be presented for redemption subsequent to January 1, 1945 and up to and including the close of business January 13, 1945, and that the Treasurer of the corporation be authorized to supply Schroder Trust Company, as such Redemption Agent, with funds to redeem said shares of the \$4.25 Cumulative Convertible Preferred Stock as same are presented for redemption; and be it further

RESOLVED that at the close of business January 13, 1945, the Treasurer of this corporation shall be authorized and instructed to deposit with The Chase National Bank of the City of New York, in the Borough of Manhattan, in the City of New York, an amount equivalent to the redemption price of all of the shares of the corporation's \$4.25 Cumulative Convertible Preferred Stock which may then remain outstanding, with instructions to pay the same over to the holders of said \$4.25 Cumulative Convertible Preferred Stock of this corporation upon the surrender of the certificates for redemption, all as provided in the Certificate of Amendment to the Certificate of Incorporation of this corporation filed in the Office of the Secretary of State of Delaware October 24, 1940.

RESOLUTION TO BE ADOPTED BY THE
BOARD OF DIRECTORS OF AMERICAN
AIRLINES, INC. 10/20/44, SUBMIT-
TING EMPLOYEES STOCK OPTION PLAN
TO THE STOCKHOLDERS FOR APPROVAL

RESOLVED that the Board of Directors shall and does hereby recommend to the stockholders the authorization of a Stock Option Plan in accordance with which options upon Personnel Stock of the corporation may be granted from time to time to officers and supervisory employees of the corporation and any of its subsidiaries, upon the following terms and conditions:

(1) All options are to be allotted by a Committee of the Board of Directors of the corporation, none of whom are officers or employees of the corporation, personally eligible to own Personnel Stock or to receive options thereon, and such allocations as made by the Committee are to be subject to the final approval of the Board of Directors.

(2) All options are to be for a period of three years with privilege to the option holder to purchase one-third of the optioned stock during the first year of the option, a second one-third of the optioned stock, plus any portion of the first one-third not previously purchased during the second year of the option, and the remaining one-third, plus any portion of the first two-thirds not previously purchased during the third and final year after the granting of the option. At the end of the third year, any optioned stock not purchased shall revert to the corporation and the option thereon shall terminate.

(3) In the event of the death of any option holder or the severance of his connection with the corporation or one of its subsidiaries, whether voluntary or involuntary, the legal representatives of such deceased employee or the option holder whose employment has been so terminated, shall have for sixty days thereafter the right to purchase the number of shares of optioned Personnel Stock, the right to purchase which had accrued at the date of the death or termination of the employment of the option holder, and at the end of said sixty day period, all remaining rights to purchase any of said optioned stock shall cease and determine.

(4) Any shares in respect of which purchase privileges shall terminate shall continue to be subject to the Plan and may thereafter be reallocated by the Committee.

(5) All purchase privileges shall be personal and non-assignable. Allotments under the Plan shall be subject to any requisite approval of the United States Treasury Department, as in conformity with Salary Stabilization Regulations.

(6) All options to be granted upon Personnel Stock shall provide that upon the exercise of the same the purchaser shall pay to the corporation for the Personnel Stock so purchased the option price thereof as fixed by the Committee of the Board of Directors, but not in any event an amount less than the book value of such Personnel Stock at the date of the exercise of each such option, such book value to be determined by the Board of Directors in the same manner as in the case of an outright sale of Personnel Stock upon the terms and conditions set forth in Article Fourth of the Certificate of Incorporation of the corporation, as amended.

(7) Upon the approval of the Stock Option Plan by the Common Stockholders of the corporation at the special meeting to be held December 6, 1944, or any adjournment or adjournments thereof, the directors of the corporation shall have full power and authority to make such Plan effective at such time thereafter as they in their judgment and discretion deem to be in the best interest of the corporation, and may also subsequently terminate the Plan at any time with respect to any shares for which purchase privileges have not theretofore been granted.