

AMERICAN AIRLINES, Inc. ✓

Notice of Annual Meeting

To the Common Stockholders of

AMERICAN AIRLINES, INC.:

Notice is hereby given that the annual meeting of the stockholders of American Airlines, Inc., a Delaware corporation, will be held at the statutory office of the corporation, Corporation Guarantee and Trust Company, 927 Market Street, Wilmington, Delaware, May 17, 1949, at 11:00 o'clock A.M., Daylight Saving Time, for the following purposes:

- (a) To receive the annual report of the corporation to its stockholders for the year ended December 31, 1948, a copy of which report accompanies this notice of meeting sent to all Common Stockholders of the corporation. Stockholders will not be asked to take any action with reference to the annual report.
- (b) To elect sixteen directors of the corporation to serve for the ensuing year, or until their successors are elected and qualified.
- (c) To elect independent auditors for the corporation for the year to end December 31, 1949.
- (d) To consider and act upon any other business which may properly come before the meeting, or any adjournment or adjournments thereof.

The close of business, March 29, 1949, has been fixed as the date of record for determining the stockholders of the corporation entitled to receive notice of and to vote at said annual meeting, and only holders of Common Stock of record as of said date are so entitled to notice and to vote. The transfer books of the corporation will not be closed.

The proxy forwarded to you herewith is being solicited by the management of the corporation. Both the management and the Board of Directors recommend, and at the present time it is intended, in the absence of contrary direction, that each of the persons named in the proxy will vote at the annual meeting (a) for the election as members of the Board of Directors of the sixteen nominees whose names are mentioned in the accompanying Proxy Statement; and (b) in favor of the election of Messrs. Arthur Young & Company as independent auditors for the corporation for the year ending December 31, 1948.

The management of the corporation knows of no other business to be acted upon at said meeting, but as to any other business properly to come before the meeting, each of the persons named in the proxy will vote in accordance with his best judgment.

You are urged to attend the meeting in person or by proxy. If you do not expect to attend said meeting and desire to have the stock registered in your name represented and voted, the management of the corporation requests that you date, fill in, execute and mail said proxy promptly in the enclosed envelope addressed to American Airlines, Inc., c/o Schroder Trust Co., 46 William Street, New York 5, New York. No postage is required if mailed in the United States.

By Order of the Board of Directors,

C. W. JACOB, *Secretary.*

Dated at New York, N. Y.
March 29, 1949.

AMERICAN AIRLINES, Inc.

PROXY STATEMENT

Annual Meeting of Stockholders — 1949

To the Common Stockholders of

AMERICAN AIRLINES, INC.:

There is set forth below information concerning the proxy being forwarded to you herewith and the matters to be acted upon under the authority of said proxy at the annual meeting of the stockholders of the corporation, to be held at the statutory office of the corporation, Corporation Guarantee and Trust Company, 927 Market Street, Wilmington, Delaware, May 17, 1949.

METHOD AND EXPENSE OF PROXY SOLICITATION

Holders of Common Stock of the corporation who cannot be present in person and who wish their stock to be represented and voted at said meeting, are requested by the management to date, fill in, execute and return the form of proxy forwarded herewith in the enclosed envelope, which requires no United States postage. Such proxy is revocable by you at any time prior to the voting of the share or shares represented thereby, and the form itself reserves to you the right to attend such meeting and vote your stock in person.

This proxy is solicited by and on behalf of the management of the corporation. All expenses of making this solicitation are being paid by the corporation. It is contemplated that the original solicitation of proxies by mail may be supplemented by telephone, telegraph and personal solicitation by officers and employees of the corporation. The anticipated cost of such additional solicitation, if made, will not exceed \$1,000. Requests will also be made of brokerage houses and other constituents, nominees and fiduciaries to forward at the expense of the corporation material to the beneficial owners of stock held of record by such persons.

OUTSTANDING STOCK AND VOTING RIGHTS

The corporation, as of March 1, 1949, had outstanding 6,452,835 shares of Common Stock, comprising the only voting securities entitled to vote at said meeting.

PURPOSES OF MEETING

The matters to be acted upon at the annual meeting are:

- (a) To receive, without taking any action upon, the annual report of the corporation to its stockholders for the year ended December 31, 1948, a copy of which report accompanies the notice of meeting sent to all Common Stockholders.

- (b) To elect sixteen directors to serve the corporation for the ensuing year, or until their successors are elected and qualified.
- (c) To elect independent auditors for the corporation for the year ending December 31, 1948.
- (d) To consider and act upon any other business which may properly come before the meeting, or any adjournment or adjournments thereof.

ELECTION OF DIRECTORS

Sixteen directors are to be elected at the forthcoming annual meeting, whose term of office shall be until the next succeeding annual stockholders' meeting to be held on the Tuesday preceding the third Wednesday in May, 1949, or until their successors are elected and qualified. It is the intention of the management that proxies, in the absence of contrary direction, will be voted in favor of the following nominees as directors of the corporation: Harold T. Ames, Harry E. Benedict, Edward H. Butler, Amon G. Carter, Charles S. Cheston, Thomas M. Conroy, Silliman Evans, John W. Farley, Charles T. Fisher, Jr., Thomas Stevens Hammond, A. N. Kemp, Robert W. Miller, Orval M. Mosier, Edgar Monsanto Queeny and C. R. Smith. All of the foregoing nominees are now directors of the corporation and have been previously elected to such office by the security holders.

Such proxies may, however, in the event of the inability of any of the foregoing to serve as such directors or in the event of contingencies not presently foreseen over which the management has no control, be voted for the election of different persons to the Board of Directors. The management has no specific persons under consideration at this time for election to any such directorship in the event of any such inability or contingency.

INFORMATION RELATIVE TO NOMINEES

The present members of the Board of Directors have nominated the sixteen above-mentioned persons for election.

The names of the nominees, their principal occupations, the year in which each first became a director of the corporation and the amount, respectively, of 3% Sinking Fund Debentures, 3½% Cumulative Convertible Preferred Stock, and Common Stock of the corporation beneficially owned by them or by their associates, are as follows:

<u>Name</u>	<u>Occupation</u>	<u>First Became a Director</u>	<u>Securities Beneficially Owned Directly or Indirectly, as of March 1, 1948 (a)</u>		
			<u>3% Sinking Fund Debentures</u>	<u>3½% Convertible Preferred Stock</u>	<u>Common Stock</u>
Harold T. Ames.....	President, The La Porte Corporation (Manufacturer of juvenile vehicles)	1939			
Harry E. Benedict.....	Chairman of the Board, Palos Verdes Corporation (Real estate development)	1936			
Edward H. Butler.....	Editor and Publisher, Buffalo Evening News	1941			
Amon G. Carter.....	President and Publisher, Fort Worth Star-Telegram	1938			

Name	Occupation	First Became a Director	Securities Beneficially Owned Directly or Indirectly, as of March 1, 1948 (a)		
			3% Sinking Fund Debentures	3½% Convertible Preferred Stock	Common Stock
Charles S. Cheston.....	Director of various industrial and financial corporations	1947			
Thomas M. Conroy.....	Executive Vice President, Central Trust Company of Cincinnati	1947			
Silliman Evans.....	Publisher, The Nashville Tennessean	1938			
John W. Farley.....	Partner, Herrick, Smith, Donald, Farley & Ketchum, Attorneys	1941			
Charles T. Fisher, Jr.....	President, National Bank of Detroit	1948			
Thomas S. Hammond.....	Chairman of the Board, Whiting Corporation (Manufacturers of machinery)	1940			
A. N. Kemp.....	Chairman of the Board, Pacific Mutual Life Ins. Co.	1941			
Robert W. Miller.....	President, Pacific Lighting Corporation	1948			
Orval M. Mosier.....	Vice President, American Airlines, Inc.	1941			
Edgar M. Queeny.....	Chairman of the Board, Monsanto Chemical Company	1940			
C. R. Smith.....	Chairman of the Board, American Airlines, Inc.	1934			

(a) The foregoing statement as to the beneficial ownership of the corporation's securities by the several nominees is, as to each, based upon information furnished by him. The corporation has no direct means of verifying the correctness thereof.

Of the foregoing nominees only owned beneficially, directly or indirectly, any securities of American Overseas Airlines, Inc.

INTEREST OF DIRECTORS OR NOMINEES FOR DIRECTORS IN TRANSACTIONS OF THE CORPORATION

No director or nominee for the position of director, nor any associate thereof, had any interest in any transaction of the corporation or of its subsidiaries during the past year or has any interest in any proposed transaction of the corporation or of its subsidiaries except as follows:

REMUNERATION PAID DURING THE YEAR ENDED DECEMBER 31, 1948

With the exception of certain directors' fees paid by American Overseas Airlines, Inc., the corporation's subsidiaries paid no salary, compensation or remuneration of any kind in the year ended

December 31, 1948 to any person who served as an officer of the corporation, or to any director of the corporation, or to any person nominated for election as a director.

REMUNERATION PAID TO DIRECTORS AND OFFICERS

(Directors or three highest paid officers whose aggregate remuneration, exclusive of pension, retirement and similar payments, exceeded \$25,000.00)

(1) Name of individual or identity of group	(2) Capacities in which remuneration was received	(3) Fees, salaries and commissions	(4) Bonuses and shares in profits	(5) Pension, retirement and similar payments
C. R. Smith.....	Chairman of the Board, Director	\$ 62,167.79	None	\$ 2,167.79
R. S. Damon.....	President, Director	43,313.92	None	3,105.35
O. M. Mosier.....	Vice President, Director	26,160.64	None	1,160.64
All directors and officers as a group.....	As officers and directors	498,713.61	None	17,729.69

The estimated annual benefits on retirement for the directors and officers named above and for all directors and for all directors and officers as a group is as follows:

Name or Group	Estimated Annual Benefits on Retirement
C. R. Smith	\$10,000.00
R. S. Damon	7,680.84
O. M. Mosier	5,016.60
All directors and officers	113,220.88

ELECTION OF AUDITORS

The independent auditors nominated by the management of the corporation to serve for the ensuing year to end December 31, 1949, are Messrs. Arthur Young & Company, who have made the annual audits for the corporation continuously since its organization in 1934. It is the intention of the management that proxies, in the absence of contrary direction, will be voted in favor of the election of Messrs. Arthur Young & Company as independent auditors for the corporation for the year to end December 31, 1949. If, however, the enclosed proxy is marked against such election, the proxy will be voted in accordance with such specification.

OTHER BUSINESS

The management knows of no business to be acted upon at said meeting, or any adjournment or adjournments thereof, other than referred to herein and, subject only to revocation, the shares represented by the management proxies will be voted as therein specified. No action will be taken with respect to the annual report. If other business requires action at said meeting, or any adjournment or adjournments thereof, it is intended that holders of the proxies will vote thereon in their discretion.

By Order of the Board of Directors,

C. W. JACOB, *Secretary*

AMERICAN AIRLINES, INC.

Dated at New York, N. Y.
March 29, 1949.

Proxy — AMERICAN AIRLINES, Inc.

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, a stockholder of AMERICAN AIRLINES, INC., a Delaware corporation, does hereby constitute and appoint C. R. SMITH and HARRY E. BENEDICT, and each of them, with full power to each of them to substitute another for himself, the agents, attorneys and proxies of the undersigned, for and in the name, place and stead of the undersigned, to attend the regular meeting of the stockholders of AMERICAN AIRLINES, INC., to be held at the statutory office of the corporation, Corporation Guarantee and Trust Company, 927 Market Street, Wilmington, Delaware, May 17, 1949, at 11 o'clock A. M., Daylight Saving Time, or any adjournment or adjournments thereof, hereby authorizing said proxies, and each of them, to vote all of the stock of the said corporation which the undersigned would be entitled to vote if personally present at said meeting, or any adjournment or adjournments thereof: (1) for the election of sixteen (16) directors to hold office until the next annual meeting of the stockholders, or until their successors are elected and qualified, the names of the nominees for such directors being set forth in the Proxy Statement accompanying the Notice of Meeting dated March 29, 1949, copies of each of which have been received by the undersigned; (2) for against the election of Arthur Young & Company as independent auditors of the corporation for the year to end December 31, 1949; and (3) to take action upon such other matters as may properly come before the meeting or any adjournment or adjournments thereof; hereby ratifying and confirming all that said agents and proxies, and each of them, or their substitute or substitutes, may do in or about the premises by virtue hereof.

(Please fill in, sign on the reverse side and mail in enclosed envelope)

Unless directed to the contrary herein, the attorneys and proxies appointed herein, or their substitutes, are hereby authorized and empowered by the undersigned to vote in favor of the election of Arthur Young & Company as independent auditors of the corporation, and as said proxies or any of them may deem advisable upon any other matters or proposals which may properly come before the meeting or any adjournment or adjournments thereof.

The undersigned hereby revokes any proxy or proxies heretofore given to vote said shares.

Dated this.....day of....., 1949.

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(Signature of Stockholder)

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This proxy is revocable by you at any time prior to the voting of the share or shares represented hereby, and stockholders who are present at the meeting may withdraw their proxy if they so desire and vote in person. When signing as attorney, executor, administrator, trustee or guardian, please give your full title as such.

THIS PROXY IS SOLICITED ON BEHALF OF THE MANAGEMENT