



AMERICAN AIRLINES SYSTEM

CABLE ADDRESS AMAIR

100 PARK AVENUE

NEW YORK 17, NEW YORK • MURRAY HILL 5-3900

March 22, 1951

To the Directors of American Airlines, Inc.:

On March 19, 1951, conferences began with the Civil Aeronautics Board in respect to adjustments of past and future mail pay for our company. Under its regulations information obtained at such conferences regarding the future course of action or position of the Civil Aeronautics Board or its staff with respect to the facts or issues discussed is confidential information. The regulations also provide that during the conferences and for ninety days after their termination or until the Board takes public action in respect to the matters discussed at the conferences, whichever first occurs, every person who has knowledge of information must not disclose it except as absolutely necessary in the course of his employment and also that any such person shall not deal, directly or indirectly, for the account of himself, his immediate family, members of his firm or company, or as a trustee, in securities of the air carrier involved. As a director, the regulation presumes (subject to proof to the contrary) that you have knowledge of such confidential information.

You must, along with those actually participating in the conferences on behalf of our company as well as its officers, file compliance affidavits when the restrictive period ends. So far as the restriction on dealing in securities is concerned, our counsel advises us that you will be in an appropriate position to sign the compliance affidavits if either you have in fact not received or had no knowledge of such confidential information or have not been involved as above described in any purchase or sale or transfer of securities of the company. No such information was given to, or discussed with, the directors present at the meeting of March 21, 1951. They were informed only of the events leading up to such conferences and the fact that the conferences had begun. At any future meeting of our Board of Directors the officers of the company will inform you whether in their opinion any information given you is of the confidential nature described.

We will of course also advise you when the restrictive period has ended and forward to you for execution the forms of compliance affidavit.

Very truly yours,

C. W. Jacob
Secretary

CWJ:KC

VIA AIR MAIL