



AMERICAN AIRLINES SYSTEM

CABLE ADDRESS AMAIR

100 EAST 42nd STREET • NEW YORK 17, NEW YORK • MURRAY HILL 5-3900

July 30, 1947

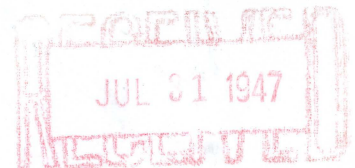
TO THE DIRECTORS OF AMERICAN AIRLINES, INC.:

Enclosed are minutes of the meeting of the Board of Directors held July 16, 1947, together with an envelope for your convenience in returning them.

Please advise if there are any corrections or comments.

C. W. Jacob,
Secretary

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enc.



Carter

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
AMERICAN AIRLINES, INC.

A regular meeting of the Board of Directors of American Airlines, Inc., was held in the Ritz-Carlton Hotel, New York, New York, on Wednesday, July 16, 1947, at 10:00 o'clock a. m.

There were present at the meeting:

- Harry E. Benedict
- James Bruce
- Charles S. Cheston
- Thomas M. Conroy
- Ralph S. Damon
- Silliman Evans
- John W. Farley
- A. N. Kemp
- Walter S. McLucas
- O. M. Mosier
- Edgar M. Queeny

being a quorum of the Board of Directors.

Also present at the request of the directors were William J. Hogan, Treasurer, Paul G. Larie, Comptroller and Assistant Treasurer, Harold R. Harris, Vice President and General Manager of American Overseas Airlines, Inc., H. Danforth Starr, Secretary and Treasurer of American Overseas Airlines, Inc. and Malcolm A. MacIntyre of General Counsel for the corporation.

Directors Ames, Butler, Carter, Hammond and Smith were absent.

In the absence of the Chairman of the Board, Mr. Ralph S. Damon, President of the corporation, presided.

1. The minutes of the previous meeting held June 18, 1947 were approved.

At this point, Directors Cheston, Evans and Queeny entered the meeting.

2. At the request of the President, Mr. Hogan presented financial statements of the corporation as of June 30, 1947 and a discussion thereof ensued. Mr. Harris then presented financial statements for the corporation's subsidiary, American Overseas Airlines, Inc., as of June 30, 1947 and participated in a general discussion of its affairs.

3. The President presented a statement of capital expenditures authorized by the management since the last meeting of the Board of Directors, each less than \$100,000, totaling \$124,980.04 for the corporation and \$2,566.98 for American Airlines de Mexico, S. A.

4. The President recommended declaring the regular quarterly dividend on the corporation's outstanding \$3.50 Cumulative Convertible Preferred Stock which would become due and payable September 1, 1947. After discussion, the following resolutions were adopted:

BE IT RESOLVED that a dividend of \$0.875 per share shall be declared and is hereby ordered paid upon the outstanding \$3.50 Cumulative Convertible Preferred Stock of this corporation, such dividend to be payable September 1, 1947 to the stockholders of record at the close of business August 18, 1947; and be it further

RESOLVED that the Treasurer of this corporation shall be and is hereby instructed to deposit with The Chase National Bank of the City of New York, Dividend Disbursing Agent of this corporation, on or before September 1, 1947, the moneys required to pay the dividend hereby ordered paid on said date on the outstanding \$3.50 Cumulative Convertible Preferred Stock of this corporation, and that The Chase National Bank of the City of New York, as such Dividend Disbursing Agent, be authorized and

instructed to disburse said dividend to the holders of said outstanding \$3.50 Cumulative Convertible Preferred Stock of this corporation entitled to receive the same in accordance with the provisions of this resolution.

5. The President gave a report on disposal of surplus property in the month of June.

6. The President recommended modification of the resolution of October 20, 1943 with respect to authority for execution of certain applications to the Civil Aeronautics Board and the Civil Aeronautics Administration. Thereupon, the following resolutions were adopted:

RESOLVED that the President, the Vice President-Operations and the Vice President-Engineering be and they are hereby authorized to appoint from time to time a representative or representatives to sign applications for air carrier operating certificates and aircraft licenses or amendments thereto and other memoranda filed on behalf of this corporation with the Civil Aeronautics Board or the Civil Aeronautics Administration; and be it further

RESOLVED that the resolution on this subject adopted by the Board of Directors on October 20, 1943, be and the same is hereby rescinded.

7. The President stated that Mr. Thomas O. English had been elected Assistant Treasurer of American Overseas Airlines, Inc. and submitted the resignation of Mr. English as Assistant Treasurer of this corporation effective June 30, 1947. He also reported that Mr. Willis G. Lipscomb had tendered his resignation as an Assistant Vice President effective July 7, 1947. Thereupon, the resignations of Messrs. English and Lipscomb were accepted with regret.

8. The President reported he had authorized a gift in the amount of \$5,079.24 to Mrs. Lee J. Robison, wife of Lee J. Robison, Director of Labor Relations for the corporation, who died on June 11, 1947, this payment representing the equivalent of Mr. Robison's salary for the balance of the year ending December 31, 1947.

9. The President recommended revision of the resolution of January 15, 1947 covering Imprest Bank Accounts to increase the individual signatory authority of such officers, agents or individuals as may be properly authorized from \$150.00 to \$1,000.00. The following resolution was adopted:

RESOLVED that all checks, drafts, or other instruments for the payment of money made or drawn by the corporation upon its Imprest Account so maintained with any of such depositories shall be signed, in the name of the corporation, by its Treasurer, and Assistant Treasurer, jointly, or by either the Treasurer or Assistant Treasurer, and countersigned by the President, or a Vice President, two signatures being required upon every such check except that checks for not more than \$1,000.00 each for the withdrawal of funds from said bank accounts may be signed individually and without countersignature by any one of the aforesaid officers or by any one of such other officers, agents or individuals as may from time to time be authorized in writing by the Treasurer or Assistant Treasurer, jointly or by either one of them, and the President or a Vice President, two signatures being required upon every such authorization, and except further that checks for not more than \$2,500 each for the withdrawal of funds from said bank accounts may be signed by any Regional Vice President or Assistant Treasurer of the corporation and any one of the individuals currently authorized in writing to sign checks for not more than \$1,000.00 each as indicated above, two signatures being required upon every such check.

10. The President inquired whether it was desired that the regular August directors' meeting be held and it was agreed to leave such decision to the Chairman of the Board and the President.

11. The President called for an executive session and all persons present not directors left the meeting. The President acted as temporary Secretary of the meeting. Thereupon, the salary of C. W. Jacob, Vice President

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and Secretary of the corporation, was increased from \$15,000 to \$18,000 per annum, effective July 1, 1947.

The meeting adjourned.

C. W. Jacob, Vice President and Secretary

R. S. Damon, Temporary Secretary

APPROVED:

R. S. Damon, President and Acting
Chairman of the Meeting