AMERICAN AIRLINES, INC.
Agenda for Directors' Meeting
January 19, 1944

1. Reading of the minutes of the meeting of December 1, 1943 (see pages 1 to 2).

2. Presentation of financial statements of the corporation as of November 30, 1943.

   (a) Estimate of 1943 earnings (see page 3)

3. Request for approval of capital authorizations authorized by the management since the last Directors' meeting.

4. Report on the status of war contracts (see page 4).

5. Report on passenger, mail and express traffic - December 1943 and the year 1943 (see page 5).

6. Request for authority to execute Detroit Airport renewal lease.

7. Request for authority to purchase U. S. Government bonds.

8. Request for authority to execute renegotiation agreement for the year 1942.

9. Request for amendment of By-Laws to authorize office of Comptroller.

10. Advertising budget for 1944.

Summary of the Minutes of a Special Meeting
of the Board of Directors of American Airlines, Inc.
Held December 1, 1943

There were present at the meeting: Directors Ames, Benedict, Bruce, Carter, Damon, Evans, Hovey, Kemp, McLucas, and Rheinstrom.

1. The minutes of the previous meeting held October 20, 1943, were approved.

2. The Directors accepted financial statements prepared to cover the month of September 1943.

3. The Directors approved capital expenditures recommended by the management amounting to $58,464.13.

4. A report was made on the performance of war contracts, the Chairman and Treasurer pointing out the possibility of Government review and renegotiation of such contracts for 1942 and 1943. Following discussion, the Directors reaffirmed the policy adopted in 1942 of waiving fees or charges in excess of cost to which the corporation is entitled under war contracts. The amount of fees waived in 1943 is approximately $300,000.

5. Mr. Rheinstrom submitted a report on passenger, mail and express traffic for the month of October 1943. Mr. Damon reported on the aircraft available for commercial service and discussed confidential military operations.

6. Mr. Jacob reported that a certificate of public convenience and necessity had been granted the corporation to serve Akron, Ohio, and he and Mr. Hale discussed current proceedings pending before the Civil Aeronautics Board. Mr. Culbert discussed the Lea Bill which would amend the Civil Aeronautics Act.

7. The Directors discussed the corporation's postwar capital requirements and considered the possible issuance of common stock of the corporation, either through the granting of rights to present stockholders or by public sale. After full discussion, the Chairman was directed, in his discretion, to bring the matter before the Directors again when and if he believed it advisable and in the best interest of the corporation.

8. The regular quarterly dividend was declared on the $4.25 preferred stock, payable January 15, 1944, to stockholders of record as of January 4, 1944.

9. Dividend No. 4 of $1.50 per share was delcared on the outstanding common stock, payable December 22, 1943 to stockholders of record as of December 10, 1943.

10. The President, or in his absence the Treasurer or Secretary, were authorized to execute proxies authorizing a designated agent or attorney to vote stock owned by American Airlines in any other corporation. Action of the Secretary in issuing a proxy on October 26, 1943 to vote the stock of Airlines Terminal, Inc., was ratified and approved.

11. The Directors approved payment, subject to Government approval, of year-end compensation or bonuses to employees and officers as submitted by the Chairman.

12. Following discussion of a program of advertising in 1944, the matter was deferred for later consideration with the suggestion that Mr. P. P. Willis be invited to present a discussion of advertising at the next meeting.

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American Airlines, Inc.
Estimate of Revenues and Expenses for 1943

	Estimate 1943	1942
Operating Revenue:		
Passenger	$ 23,313,000	$ 21,512,980
Mail	4,878,000	3,266,825
Express	2,577,000	1,720,036
Other	614,000	482,173
	$ 31,382,000	$ 26,982,014
Operating Expense	22,991,000	21,368,632
	8,391,000	5,613,382
Deductions from Income (less Credits to Income)	266,000	189,513
Net Profit before Extraordinary Income and Provision for Income Taxes	8,125,000	5,423,869
Extraordinary Income - Excess of proceeds over book value of flight equipment sold at the direction of the U. S. Government	-	1,177,845
Net profit before provisions for Federal Income Taxes	8,125,000	6,601,714
Provision for Federal Income Taxes	5,679,000	2,750,000
Net Profit	$ 2,446,000	3,851,714*
Revenue Miles Flown	26,397,687	27,878,321

* Net profit from operations was $3,016,869, excluding $834,845 (net after applicable Federal taxes) from equipment sold at the direction of the Government.

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