

AMERICAN AIRLINES, INC.

Agenda for Directors' Meeting  
August 21, 1946

1. Approval of the minutes of the Directors' meetings of June 7, 1946 (See Pages 3-5).
2. Presentation of financial statements--June 1946. (See July Traffic report, Page 6)
3. Consideration of Preferred Stock dividend (payable September 1, 1946, of record August 21, 1946).
4. Capital Expenditures:

(a) Those approved since last meeting:

American Airlines, Inc.....	\$ 658,784.03	
American Airlines de Mexico, S. A.....	<u>23,782.10</u>	\$ 682,566.13

(b) Operating spares, parts and accessories:

For DC-6's	\$2,000,000.00	
For DC-4's	<u>3,000,000.00</u>	
	5,000,000.00	

Less amount authorized on August 16, 1944 for DC-4's and DC-6's	<u>3,000,000.00</u>	\$2,000,000.00
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(c) Tulsa Overhaul and Maintenance Base:

Buildings and equipment	\$2,447,525.00	
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Less amount authorized on <i>February</i> <del>March</del> 20, 1946	<u>500,000.00</u>	\$1,947,525.00
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(d) Provisional terminal facilities Westchester County Airport, Rye, N. Y.		\$ 100,000.00
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(e) Monterrey, Mexico (American Airlines de Mexico, S. A.)

Airport improvements	\$ 403,000.00	
Terminal building addition	<u>180,000.00</u>	\$ 583,000.00

5. Financing Program:
  - (a) Report on American Airlines, Inc., financing.  
(See Pages 7-9)
  - (b) American Overseas Airlines, Inc., (Ratification of American Airlines, Inc., acting as underwriter.)
  - (c) Sky Chefs, Inc.
  - (d) Airborne Instruments Laboratory, Inc.
6. Leases:
  - (a) Authority to prepay rental.  
(Kenton County, Kentucky (Cincinnati))--\$94,500.00)
7. Mid-Continent Airlines, Inc.
  - (a) Report on status of acquisition.
  - (b) Request authority to extend time for acceptance of stock deposits.
8. Request for modification of signing authority--  
Imprest Bank Accounts.
9. Request for authority to renew Annuity Contract with John Hancock Insurance Company covering Employee Retirement Plan.
10. Appointment of Registered Agent--Illinois. (Corporation Guarantee and Trust Company)

Summary of the Minutes of a Special Meeting  
of the Board of Directors of American Airlines, Inc.  
Held June 7, 1946 at 10:00 A.M.

There were present at the meeting: Directors Ames, Benedict, Bruce, Butler, Evans, Farley, Hammond, McLucas, Mosier and Smith.

1. The minutes of the previous meeting held May 15, 1946 were approved.
2. The Treasurer presented financial statements prepared as of April 30, 1946.
3. A report was submitted showing that management had approved since the last directors' meeting, capital expenditures totaling \$246,538.43.
4. The directors authorized a financing program providing for the issuance by the corporation of 400,000 shares of 3½% Cumulative Convertible Preferred Stock, convertible into shares of Common Stock at the initial conversion price of \$23 per share of Common and initial sale at \$102.75 per share with net proceeds of \$100.75 to the corporation; and \$40,000,000 principal amount of 3% Sinking Fund Debentures due June 1, 1966, the initial public offering price to be 100% of the principal amount and the corporation to receive 98-¾% thereof.
5. The directors authorized management to purchase additional capital stock of Sky Chefs, Inc., in the amount not to exceed \$500,000, or, in the alternative, to loan up to \$500,000 to that corporation.
6. The management was authorized to loan to Manhattan Air Terminals, Inc., additional amounts not to exceed \$600,000.
7. The officers were authorized to lease the Brewster Hangar located at Newark Municipal Airport, for six years and eight months from July 1, 1946 at a total rental of \$117,800, and to purchase from the Brewster Aeronautical Corporation for \$32,000 the lease between Brewster and the City of Newark.
8. The directors authorized management to extend to July 31, 1946 the time for acceptance of deposits of shares of Common Stock of Mid-Continent Airlines, Inc.

9. The Chairman of the Board, or the President, or Vice President William Littlewood were authorized to execute any Change Orders required in connection with the Purchase Agreement with Consolidated Vultee Aircraft Corporation covering CV-240 aircraft.
10. The directors authorized issuance and registration of new certificates for 210 shares of Common Stock of the corporation to replace certificates reported lost, destroyed or stolen.
11. Mr. J. V. Dooley of the Treasury Department was authorized to sign checks drawn on operating bank accounts of the corporation.
12. The directors agreed to forego the regular June directors' meeting.
13. The officers were authorized to accelerate a financing program for American Overseas Airlines, Inc., and to maintain control of outstanding voting stock by purchasing additional Common Stock of American Overseas Airlines, Inc., in an amount not to exceed \$7,000,000.
14. The directors agreed not to appoint a finance committee at the present time.
15. The Chairman stated that on May 22, 1946 the Civil Aeronautics Board granted the corporation a permanent certificate of convenience and necessity covering its temporary route to Mexico.