

AMERICAN AIRLINES, INC.

100 Park Avenue  
New York 17, N. Y.

March 3, 1952

TO THE DIRECTORS OF AMERICAN AIRLINES, INC.:

I am attaching a copy of the draft of the minutes of the Board of Directors' meeting held February 20, 1952.

A stamped addressed envelope is enclosed for your convenience in returning the minutes with your comments.

Walter H. Johnson, Jr.  
Secretary

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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 Board of Directors' Room located on the Seventh Floor of 100 Park Avenue, New York, New York, on Wednesday, February 20, 1952, at 10:00 o'clock a.m., Eastern Standard Time, pursuant to due notice to all of the directors of the corporation in accordance with the By-Laws.

There were present at the meeting:

Harold T. Ames  
Harry E. Benedict  
Edward H. Butler  
James Bruce  
Charles Cheston  
Thomas Conroy  
James Douglas  
John W. Farley  
Charles T. Fisher, Jr.  
James Jackson  
O. M. Mosier  
Edgar M. Queeny  
C. R. Smith

being a quorum of the Board of Directors.

As hereinafter noted, Director Queeny entered the meeting after it had been called to order.

Also present at the request of the Directors were W. J. Hogan, Vice President and Treasurer, C. W. Jacob, Vice President, Rex W. D. Smith, Jr., Vice President, Charles Speers, Assistant Vice President and Malcolm A. MacIntyre of General Counsel for the corporation.

Directors Carter, Evans, Kemp and Miller were unable to attend the meeting.

The President presided and the Secretary kept the records of the meeting.

1. The Secretary stated that the minutes of the previous meeting held January 16, 1952 had been mailed to each Director and presented a summary of action taken at such meeting. Upon motion duly made and seconded, the minutes of the January meeting were approved.

2. The Treasurer presented and explained financial statements of the corporation as of January 31, 1952. Mr. Queeny entered during the discussion and thereafter participated in the meeting.

The Treasurer next reported that the auditors had certified the balance sheet of December 31, 1951 and the profit and loss statement for the year 1951 as tentatively submitted at the previous Board meeting with certain minor changes in the balance sheet only not affecting net income as previously reported.

3. The Treasurer presented and explained a statement of capital expenditures authorized by the management since the last meeting of the Board of Directors, totaling \$187,304. for the corporation and \$385. for American Airlines de Mexico, S. A.

4. The Chairman reported on investigation of the accident which occurred on January 22, 1952 involving the crash of a Convair airplane at Elizabeth, New Jersey.

At the request of the Chairman, Mr. Mosier reported on the metropolitan airport situation, the background and sequence of events that led to the closing of the Newark Airport by the Port of New York Authority on February 11, 1952. He outlined the company's plans for operating a limited number of flights from the New York International Airport and explained the nature of the capital expenditures that would be required at the New York International Airport. Whereupon on motion duly made and seconded the following resolution was unanimously adopted:

RESOLVED, that the officers be and hereby are authorized to expend not to exceed \$150,000. for capital expenditures in connection with use of the New York International Airport and augmented use of LaGuardia Airport arising out of the temporary closing of Newark Airport.

5. The Treasurer recommended that authority to open and maintain Operating Bank Accounts of the corporation be amended to confer specified discretionary authority on certain officers of the corporation. Whereupon after discussion and on motion duly made and seconded it was:

RESOLVED, that effective upon the filing with the depositories hereafter named of certified copies of this resolution, the funds of American Airlines, Inc. deposited in the general accounts maintained by this corporation with:

The Chase National Bank of the City of New York  
Chemical Bank and Trust Company  
Guaranty Trust Company of New York  
The National City Bank of New York  
Manufacturers Trust Company  
The New York Trust Company  
Continental Illinois National Bank and Trust  
Company of Chicago.  
The First National Bank of Chicago  
The Canadian Bank of Commerce, Toronto, Canada, and  
Mellon National Bank and Trust Company, Pittsburgh,  
Pennsylvania

shall be subject to withdrawal only in accordance with checks, notes, drafts or other instruments for the payment of money signed in the name of the corporation by its Treasurer or an Assistant Treasurer, and countersigned by the President or any Vice President, or any one of such other officers, agents or individuals as may from time to time be authorized in writing so to countersign by the Treasurer and an Assistant Treasurer jointly; or signed by any one of such officers, agents or individuals as may from time to time be authorized in writing so to do by the Treasurer or Assistant Treasurer jointly and countersigned by the President or any Vice President; PROVIDED, however, that any instrument involving payment of less than \$5,000. may be signed in the name of the corporation by any two of such officers, agents or individuals as may from time to time be authorized in writing so to do by the Treasurer and any Assistant Treasurer jointly, two signatures being required on all instruments for the payment of money, and except as hereby modified all resolutions heretofore adopted by the Board of Directors of this corporation with reference to the accounts maintained with the foregoing depositories shall remain in full force and effect; and be it further

RESOLVED, that the Secretary or an Assistant Secretary of this corporation shall be and is hereby authorized to file with each of said depositaries a certified copy of the foregoing resolution, and that each of said depositaries is hereby authorized to rely upon such certified copy until the foregoing resolutions are modified, altered or repealed and until notice of such modification, alteration, or repeal has been given to said depositaries.

6. Mr. Hogan discussed the corporation's insurance coverage with respect to passenger liability, property damage and aircraft hull damage.

7. The Chairman discussed the possibility of paying a quarterly dividend on the Common Stock, with reasonable assurance that such quarterly dividend could be continued. It was the consensus that in view of reduced earnings for the month of January and the prospect of reduced earnings for the first quarter, coupled with the foreseeable cash requirement for firm equipment purchases, it would not now be advisable to institute a quarterly dividend program.

8. At the request of the Chairman, Mr. Speers discussed the January traffic performance as well as passenger and cargo trends.

9. Mr. Rex Smith reviewed the public relations aspect of the Metropolitan Airport situation.

10. Mr. Mosier reported on the progress of improved passenger facilities at the Chicago terminal.

11. The Chairman presented an engraved tray to Mr. Mosier in recognition of the part he played in the development of the East and West Side Terminals in New York City.

12. Mr. Jacob reported on the Presidential appointment of General James Doolittle as chairman of a special committee to study airport safety and related matters.

13. At the request of the Chairman, Mr. Rex Smith read and discussed the intent and contents of a leaflet entitled "Policies of American Airlines" which

is intended to be printed and distributed, in order to insure a better employee and public understanding of the high aims and ideals of American Airlines. It was the consensus that the project was a worthy one and should be done. Several of the directors made suggestions with respect to wording and they were adopted for inclusion before printing.

There being no further business to come before the meeting, it was on motion duly made and seconded, adjourned.

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Secretary

APPROVED:

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Chairman