

STRICTLY CONFIDENTIAL

November 1, 2010

To Whom It May Concern:

We appreciate your interest in acquiring certain McDonnell Douglas model MD-80 aircraft, including the airframe, engine combination, and any avionics, appliances, parts, furnishings, instruments, accessories, and other equipment installed therein or thereon at the time of delivery and as more specifically described on Schedule A attached hereto (collectively, the “*Aircraft*”) of American Airlines, Inc. (the “*Company*”). We invite you to submit a final, definitive proposal to acquire all of the Aircraft or a sub-set of the Aircraft (such Aircraft to be acquired, the “*Acquired Aircraft*”). This letter provides guidelines for submitting such a proposal.

Please submit your written proposal to acquire the Acquired Aircraft to Fred Swanevelt by **December 17, 2010**. The proposal must be executed by an officer authorized to bind your company to its terms. Please submit your proposal electronically to fred.swanevelt@aa.com with a hard copy of your proposal to follow to Mr. Swanevelt at: 4333 Amon Carter Blvd, MD5569, Ft. Worth, Texas 76155 via overnight courier. The proposal must be executed by an officer authorized to bind your company to its terms. Please indicate in your proposal a telephone number where we can reach you in the event that we need to clarify any aspects of your proposal.

To schedule further conversations with Company management, if you wish to have any further due diligence questions or requests answered prior to submitting your proposal, please contact Mr. Swanevelt, (817) 967-1283, fred.swanevelt@aa.com. Under no circumstances should the management, employees, directors, or shareholders of the Company other than Mr. Swanevelt be contacted directly.

Please review the guidelines listed below carefully. Mr. Swanevelt is available to clarify or provide guidance with respect to any questions you may have prior to the date on which proposals are to be submitted.

1. Your proposal should reflect an offer of all cash, payable at closing, for the Acquired Aircraft.
2. Your proposal should indicate which Aircraft are to be included within the Acquired Aircraft. While the Company will consider offers for individual Aircraft, preference will be given to offers for all or a majority of the Aircraft.
3. Your proposal should assume the following:
 - (a) the title to the Acquired Aircraft will be free and clear of liens at close;
 - (b) the Acquired Aircraft will be sold in an “as is, where is, with all faults” condition. At delivery, the Acquired Aircraft may have time, cycle and calendar controlled components which exceed the Company’s standard operating limits, applicable government standards, or other requirements, or which are not in proper operating condition;
 - (c) the Acquired Aircraft substantially conform to the description set forth on Schedule A; provided, however, that aircraft of comparable or greater value may be substituted for

any or all of the Aircraft set forth on Schedule A upon notice to the prospective purchasers at the Company's sole and absolute discretion;

- (d) the Company, at its sole and absolute discretion, may offer additional aircraft substantially similar to the Aircraft set forth on Schedule A at any time now or in the future at terms that may differ from those set forth herein;
 - (e) the Acquired Aircraft will either be de-registered or re-registered after filing of applicable Federal Aviation Authority bills of sale;
 - (f) a ten percent (10%) cash deposit will be required upon selection as the prospective purchaser, to be held in escrow by the Company;
 - (g) the Company will provide all logs, manuals and data, and inspection, modification and overhaul records required to be maintained with respect to the aircraft under applicable rules and regulations of the Federal Aviation Administration,
 - (h) the Company will provide any available records from the indicative list of records set forth on Schedule B;
 - (i) the Company will (i) use commercially reasonable efforts to provide back-to-birth traceability for JT8D life-limited parts with a remaining cycle life of 3,999 cycles or fewer, and (ii) provide back-to-birth traceability available for JT8D life-limited parts with a remaining cycle life of 4,000 cycles or greater; and
 - (j) the Company will endeavor to deliver a minimum of one (1) aircraft per month, with a definitive delivery schedule to be set forth pursuant to the definitive purchase agreement, provided, however, that all delivery dates of the Aircraft are subject to delay at the Company's sole option, and the Company shall have the right, in its sole discretion, to rearrange the order of Delivery of the Aircraft within the delivery schedule listed in the definitive purchase agreement.
4. Your proposal should represent your best and final offer. While the Company may contact you, if necessary, to clarify your proposal, the Company will consider your proposal to be your best and final proposal. Prospective purchasers should not assume that they will be given the opportunity to revise or increase the amount of their proposals. Accordingly, please be specific about the terms and conditions of your proposal, including, but not limited to, the following:
- (a) The amount to be paid in cash for the Acquired Aircraft at closing assuming that the Acquired Aircraft will be unencumbered.
 - (b) A detailed description of your proposed timeline to complete the transaction, including the date on which you expect to be able to close the transaction.
 - (c) The time period for which your proposal and offer to purchase the Acquired Aircraft will remain open. All proposals must remain open and unchanged until February 28, 2011.
 - (d) The nature and timeline of any due diligence review you require.
 - (e) Evidence of the financial resources that will enable you to close the transaction or alternatively a description of the sources of capital required to consummate the

transaction and the availability of such sources. If your proposal will require third-party financing, please include copies of commitment letters from these sources and relevant contact information. The certainty of financing will be an important factor in evaluating proposals. Your proposal should not reflect a financing contingency. You and your financing sources should have received all requisite internal approvals prior to your offer and your proposal should confirm that no further approval processes are required within your organization or your financing sources.

- (f) The names and telephone numbers of the individual authorized to conduct negotiations on your behalf and any advisors and/or consultants you are using regarding this proposed transaction, including accountants and lawyers.
 - (g) Details regarding the legal entity that you propose to use to acquire the Acquired Aircraft and a history of such entity, including the financial resources, principal business, and any key personnel. To the extent that the prospective purchaser is not a fully capitalized and creditworthy entity, please describe the arrangements that you contemplate in order to enable the Company to rely upon the creditworthiness of the prospective purchaser.
 - (h) To the extent the Acquired Aircraft are to be used for salvage purposes, please include details on the following:
 - i. details regarding your proposed plan to disassemble the airframe(s) and engine(s), including the types of equipment to be utilized;
 - ii. a proposed timeline and location at which the airframe(s) and engine(s) will be disassembled;
 - iii. confirm that evidence of actual disassembly (video/photograph) of all Acquired Aircraft will be provided;
 - iv. details on and evidence adequate to ensure that all state and federal regulations pertaining to hazardous material and environmental issues will be satisfied; and
 - v. details on and evidence adequate to ensure that all parts with the Company's name, logo, part numbers, or similar identifying marks will be removed and destroyed.
5. While preference will be given to those proposals that conform to the guidelines set forth herein, prospective purchasers may submit alternative solutions in addition to proposals that conform to the guidelines set forth herein. Such additional proposals must be clearly marked as options and state whether they are exclusive or inclusive.
6. The parties hereto shall each bear their respective costs, expenses, and charges (including, without limitation, legal fees, advisory fees, and accounting fees) incurred in connection with the matters contemplated by this letter, any proposal submitted pursuant to this letter, and the negotiation and execution of a definitive agreement and each other agreement, document and instrument contemplated by or necessary to consummate the transactions contemplated by this letter. Each party represents to the other that it has not retained nor shall retain, any broker or finder in connection with the transactions contemplated hereunder and no other person would be due any amount as a result of the entry of the parties into a definitive purchase agreement or the consummation of the transactions contemplated thereunder.

7. The Company reserves the right, at its sole and absolute discretion, to modify these procedures and the terms and conditions set forth in the proposal, including removing individual aircraft from sale, at any time and reserves the right to select any or no proposal at its sole and absolute discretion. The Company also reserves the right, at its sole and absolute discretion, to consider any and all factors in the determination of the successful proposal and to proceed with any prospective purchaser individually or simultaneously with other prospective purchasers.
8. Upon selection of a prospective purchaser, the Company will promptly notify you; provided, however, that the Company is under no obligation to provide any details on the prospective purchaser or the terms of other proposals.
9. Unless and until a definitive agreement regarding the potential acquisition between the Company and you has been executed, neither the Company nor any of its respective officers, managers, members, affiliates, agents or representatives will have any liability to any prospective purchaser as a result of this letter, the rejection of any or all proposals, or the acceptance of another proposal, or have any obligation or any liability to any prospective purchaser. Following the execution of a definitive acquisition agreement, the only obligations of the parties thereto will be those set forth in such definitive agreement.
10. This letter and the information contained herein, including any attachments or schedules hereto, are to be considered confidential and proprietary information of the Company. Further, any additional materials provided by the Company in connection with this letter that are clearly and conspicuously marked as confidential or proprietary are to be considered confidential and/or proprietary information of the Company. Similarly, to the extent materials submitted by the prospective purchaser are to be considered confidential or proprietary, such materials must be clearly and conspicuously marked in writing as such.
11. By submitting a proposal, a prospective purchaser acknowledges that it is relying on its own independent investigation of the Aircraft and understands and agrees to the terms of this letter.

Thank you again for your interest in the Aircraft. Should you have any questions, please contact me at (817) 967-2199.

Sincerely,

Fred Swanevelt
Principal – Fleet Transactions

Schedule A

REG.	SERIAL NO.	MANUF. DATE	ENGINES
N218AA (MD82)	49168	5/4/1983	#1: 725443 / #2: 696429
N219AA (MD82)	49171	8/2/1983	#1: 696356 / #2: 725711
N232AA (MD82)	49179	11/3/1983	#1: 726092 / #2: 708106
N253AA (MD82)	49286	1/4/1985	#1: (NONE) / #2: 726936
N255AA (MD82)	49287	1/15/1985	#1: (NONE) / #2: 726042
N430AA (MD82)	49342	1/6/1987	#1: 709715 / #2: 725975
N7533A (MD82)	49987	9/26/1990	#1: (NONE) / #2: 726888
N7534A (MD82)	49988	9/28/1990	#1: (NONE) / #2: 696446
N9307R (MD83)	49663	12/30/1987	#1: (NONE) / #2: 726860

GENERAL SPECIFICATION	
ENGINES	P&W JT8D-217C
APU	HONEYWELL GTCP
CAPACITY	16F/124Y = 140 TOTAL
GALLEYS	2 FORWARD, 1 AFT + 2 CARTS POS.
LAVATORIES	1 FORWARD, 2 AFT
CLOSET	1 FORWARD

PERFORMANCE DATA	MD-82	MD-83
MZFW	122,000 LBS	SAME
MTW	150,500 LBS	161,000
MTOW	149,500 LBS	160,000
MLW	130,000 LBS	SAME
FUEL CAPACITY	39,128 LBS	46,714 LBS

Schedule B

INDICATIVE MD80 AIRCRAFT RECORDS LIST

MANUALS:

- _____ FAA APPROVED AIRCRAFT FLIGHT MANUAL (AFM)
- _____ AIRCRAFT MAINTENANCE MANUAL (MM)
- _____ COMPONENT MAINTENANCE MANUAL (CMM)
- _____ AIRCRAFT WIRING MANUAL & AA WIRING REPAIR DOCUMENT (AAWRD)
- _____ AIRCRAFT STRUCTURE REPAIR MANUAL (SRM) & AA REPAIR DOCUMENT (AARD)
- _____ AIRCRAFT ILLUSTRATED PARTS CATALOG/ADDENDUM (IPC)
- _____ AIRCRAFT WEIGHT & BALANCE MANUAL
- _____ AIRCRAFT MINIMUM EQUIPMENT LIST & CONFIGURATION DEVIATION LIST (MEL/CDL)
- _____ ENGINE MAINTENANCE MANUAL (EMM)
- _____ ENGINE ILLUSTRATED PARTS CATALOG (EIPC)
- _____ ENGINE SERVICE BULLETINS AND INDEX
- _____ MD80 MAINTENANCE CHECK MANUAL (MCM)
- _____ ENGINEERING SPECIFICATION MAINTENANCE MANUAL (ESMM)
- _____ ENGINEERING CHANGE ORDERS (ECOs); AND FLEET CAMPAIGN DIRECTIVES (FCDs)
- _____ AIRCRAFT DETAIL SPECIFICATION
- _____ AIRCRAFT READINESS LOG / DELIVERY DOCUMENTS
- _____ MAJOR REPAIRS
- _____ SUPPLEMENTAL TYPE CERTIFICATES (STC)
- _____ WEIGHT AND BALANCE REPORT
- _____ DEFERRED ITEMS LIST (FMR) – On CD
- _____ AIRCRAFT DAMAGE LOG (ADL) – On CD

Schedule B (continued)

_____ STORAGE RECORDS

DRAWINGS / CHARTS:

_____ COMPASS CORRECTION CARD, INTERIOR LAYOUT *(DRAFTING),
EMERGENCY EQUIPMENT LAYOUT

RECORDS/REPORTS:

_____ FLIGHT LOG FOR CURRENT TIME AND CYCLES (RGA)

_____ REPORTS ON CD (Pre-delivery/Post Delivery):

- ENAX (Job Accomplishment History – Heavy Maintenance Check)
- ENA (Recent Job Accomplishment History)
- ESA (Next Due Items)
- JD (Aircraft Wts.)
- JDM (Aircraft Data Record)
- JCA (Engine Data)
- Aircraft Hours/Cycles
- Company Part Number (CPN) to MPN
- Company Part Number (CPN) to MPN to Serial Number Cross Reference
- RGA (Aircraft Routings (Y30))
- JDC (ECO ACCOMPLISHMENT REPORT)

_____ AIRFRAME COMPONENT STATUS REPORT (four sections)

1. Maintenance Checks
2. Components
3. Landing Gear
4. SICs; SIDs; and CPCs

_____ COMPONENT SHOP RECORDS (SYSTEM TIME CONTROLLED ONLY)

_____ AD SUMMARY REPORT (Airframe/Engines)

_____ REPORT ECO14:

- MODIFICATION HISTORY BY AD/FAR NUMBER

_____ REPORT ECO14:

- MODIFICATION HISTORY BY AA JOB NUMBER

_____ REPORT ECO15:

- MODIFICATION HISTORY BY SERVICE BULLETIN NUMBER - LIMITED TO
AD/FAR

_____ REPORT ECO15:

- MODIFICATION HISTORY BY SERVICE BULLETIN NUMBER

Schedule B (continued)

- _____ ENGINE RECORDS
- _____ APU RECORDS
- _____ LANDING GEAR RECORDS
- _____ AIRCRAFT AIRFRAME RECORDS (Maintenance Check Records)

CERTIFICATES AND/OR CERTIFICATION LETTERS:

- _____ QA LETTER CERTIFICATION OF DOCUMENTS
- _____ CERTIFICATE OF REGISTRATION
- _____ STANDARD AIRWORTHINESS CERTIFICATE
- _____ ACCIDENT REPORT OR ACCIDENT FREE CERTIFICATION LETTER
- _____ LETTER FOR "NO CHARGE" WARRANTY KITS
- _____ BURN CERTIFICATIONS
- _____ SANITARY CERTIFICATE (copy on aircraft, original provided when available)