

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "*Settlement Agreement*") is made on \_\_\_\_\_, 2013, by and between (1) American Airlines, Inc. ("*American*"), as debtor and debtor in possession in the Chapter 11 Cases<sup>1</sup> pending in the Bankruptcy Court, and (2) The City of St. Louis (the "*City*"), as the owner and operator of the Lambert-St. Louis International Airport<sup>®</sup> (the "*Airport*").

### RECITALS

A. On November 29, 2011 (the "*Commencement Date*"), American and certain of its affiliates (collectively, the "*Debtors*") each commenced a voluntary case under the Bankruptcy Code.

B. The Debtors have continued to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

C. The Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure.

D. Prior to the Commencement Date, American and the City entered into the following agreements: (i) the AUA; (ii) the MOA; (iii) the Loading Bridge MOA; (iv) the Maintenance Hangar Lease; and (v) the Cargo City Lease governing, among other things, American's use of, and to the extent applicable, financing for, certain premises at the Airport.

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<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in Section 1, below.

E. As of the date of this Settlement Agreement, certain amounts remain outstanding by and between the Parties with respect to the Agreements.

F. The Debtors desire to assume the AUA (subject to certain internally permitted administrative modifications allowed under the terms of the AUA), the MOA (as amended), the Loading Bridge MOA, and the Maintenance Hangar Lease (as amended). The administrative modification to the AUA, and the amendments to the MOA and Maintenance Hangar Lease, provide for, among other things, modifications to the term, premises and/or payments under such Agreements.

G. The Cargo City Lease expired prepetition and, therefore, the Cargo City Lease will not be assumed by American.

II. The Parties desire to resolve and settle their differences regarding the Agreements, any claims that may be outstanding thereunder, and the assumption thereof (as applicable).

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, by and through their attorneys and/or authorized officials, hereby agree as follows:

1. **Definitions.**

1.1 “*Admiral’s Club*” shall mean the premises referred to as the “Admiral’s Club” used by American at the Airport as described in Exhibit 2.

1.2 “*Agreements*” shall mean: (i) the AUA; (ii) the MOA; (iii) the Loading Bridge MOA; (iv) the Maintenance Hangar Lease; and (v) the Cargo City Lease.

1.3 “*Airport*” shall have the meaning ascribed to it in the preamble hereto.

1.4 “*Airport Commission*” shall mean the now existing Airport Commission of the City created by §18.08.030 of the Revised Code of the City of St. Louis, or such officer, board or commission who or which hereafter may be legally given the powers and duties given to the Airport Commission in existence on the date hereof.

1.5 “*Airport Director*” shall mean the Director of Airports of the City or the person performing the functions of that office, as authorized by the City’s mayor, or that person authorized by the Airport Director to act for, or on behalf of, the Airport Director.

1.6 “*Amended Maintenance Hangar Lease*” shall have the meaning ascribed to it in Section 5.1, below.

1.7 “*Amended MOA*” shall have the meaning ascribed to it in Section 3.2, below.

1.8 “*Amended or Modified Agreements*” shall mean the (i) Amended MOA, (ii) Modified AUA, and (iii) Amended Maintenance Hangar Lease.

1.9 “*American*” shall have the meaning ascribed to it in the preamble hereto.

1.10 “*Approval Motion*” shall have the meaning set forth in Section 8.1, below.

1.11 “*Approval Order*” shall mean the order of the Bankruptcy Court granting the Approval Motion and authorizing the entry by American into the Settlement Agreement and any other agreements contemplated thereby.

1.12 “*AUA*” shall mean the Airport Use and Lease Agreement No. AL-172, signed by the City’s Register on August 12, 2011, Contract No. 63066.

1.13 “*Bankruptcy Code*” shall mean title 11 of the United States Code, 11 U.S.C. § 101 *et seq.*, as amended or modified.

1.14 “*Bankruptcy Court*” shall mean the United States Bankruptcy Court for the Southern District of New York.

1.15 “*Cargo City Lease*” shall mean the Cargo City Lease Agreement AL-456, signed by the City’s Register on December 27, 2007, Contract No. 56683.

1.16 “*Chapter 11 Case*” and “*Chapter 11 Cases*” shall mean (a) when used with reference to a particular Debtor, the case of that particular Debtor under chapter 11 of the Bankruptcy Code and (b) when used with reference to all Debtors, the jointly administered cases of all Debtors under chapter 11 of the Bankruptcy Code.

1.17 “*City*” shall have the meaning ascribed to it in the preamble hereto.

1.18 “*Commencement Date*” shall have the meaning ascribed to it in Recital A hereto.

1.19 “*Concourse C*” shall mean Concourse C at the Airport.

1.20 “*Debtors*” shall have the meaning ascribed to it in Recital A hereto.

1.21 “*Effective Date*” shall mean the later of the date, on which: (i) the Bankruptcy Court enters the Approval Order; (ii) the Approval Order becomes a Final Order (which condition may be waived by the Parties); (iii) the Ordinance becomes effective; (iv) the Settlement Agreement is executed and delivered by all of the required signatories for the Parties, and (v) the Amended or Modified Agreements are executed by all of the required signatories for the Parties; provided, however, and it being understood that following the occurrence or waiver of conditions in (i), (ii) and (iii) in this Section 1.21, the City shall have fifteen (15) business days to execute the Settlement Agreement and the Amended or Modified Agreements after the same are executed and delivered to the City by American. For contract administration purposes, American will execute and

deliver to the City for its execution four (4) executed originals of the Settlement Agreement and the Amended or Modified Agreements.

1.22 “*Exhibit 1*” shall mean the Exhibit 1 that is annexed to composite Exhibit A attached hereto, describing the alternate facilities within the Airport’s terminal building made available by the City to American while those portions of the Leased Premises that were substantially damaged by the April 22, 2011 tornado continue to be repaired, reconstructed, and restored, all pursuant to Sections 1103(B) and (D) of the Modified AUA.

1.23 “*Exhibit 1 Period*” shall mean the period of time beginning April 1, 2012 and ending on the earlier of American’s completion of its phased construction or March 31, 2013, subject to the extension of such period for the Admiral’s Club space (which is depicted in Exhibit 2) to June 30, 2013, during which the Leased Premises are restored as provided for in Section 1103(D) of the Modified AUA.

1.24 “*Exhibit 2*” shall mean the Exhibit 2 that is annexed to composite Exhibit A attached hereto, describing the modified Leased Premises during the Exhibit 2 Period.

1.25 “*Exhibit 2 Period*” shall mean the period of time beginning on the earlier of American’s completion of its phased construction at the Airport and April 1, 2013 for all non-Admiral’s Club related construction, and July 1, 2013 for all Admiral’s Club related construction, and ending on the expiration of the term of the Modified AUA.

1.26 “*Final Order*” shall mean any judgment or order that is no longer subject to appeal, rehearing, re-argument, reconsideration, motion for a new trial or petition for certiorari because (i) the time for all such appeals, motions for rehearing, re-argument, reconsideration, new trial and petitions for certiorari has expired, (ii) no appeal, motion

for rehearing, re-argument, reconsideration, new trial or petition for certiorari is pending in any court, and (iii) all issues, if any, remanded to a court with respect to such judgment or order have been addressed in a judgment or order on remand that is itself final.

1.27 “*Interim Relocation Period*” shall mean the period commencing July 1, 2011 and ending on March 31, 2012.

1.28 “*Leased Premises*” shall mean the premises leased by American at the Airport’s passenger terminal building as set forth in the AUA or the Modified AUA, as the case may be.

1.29 “*Loading Bridge MOA*” shall mean the Memorandum of Agreement for Improvements to the Existing Terminal Facility at Lambert-St. Louis International Airport, Contract No. 57757, dated as of July 30, 2008.

1.30 “*Maintenance Hangar Lease*” shall mean the Lease Agreement No. AL-465, signed by the City’s Register on March 15, 2010, as amended by its first amendment.

1.31 “*MOA*” shall mean the Memorandum of Agreement for Improvements to the Existing Terminal Facility at Lambert-St. Louis International Airport, Contract No. 44476, dated as of February 6, 2003, as amended by the first through fourth amendments thereto.

1.32 “*MOA Cure Amount*” shall have the meanings ascribed to it in Section 7.2.1, below.

1.33 “*MOA Unsecured Claim*” shall have the meaning specified in Section 3.1, below.

1.34 “*Modified AUA*” shall have the meaning ascribed to it in Section 2.1, below.

1.35 “*Modified MOA Obligation*” shall have the meaning ascribed to it in Section 3.2.1, below.

1.36 “*Ordinance*” shall mean the City ordinance recommended and approved by the Airport Commission, the City’s Board of Public Service, and the City’s Board of Estimate and Apportionment, which authorizes and directs the appropriate officers of the City to enter into, execute, and deliver the Settlement Agreement and any other agreements contemplated therein.

1.37 “*Other Cure Amounts*” shall have the meaning ascribed to it in Section 7.2.2, below.

1.38 “*Parties*” shall mean American and the City.

1.39 “*Settlement Agreement*” shall have the meaning set forth in the preamble hereto.

## 2. AUA

2.1 Space Modifications. The space in the Airport’s passenger terminal building that American is using and will use, and for which American is paying and will pay rent will be administratively modified (including Exhibit 1 and Exhibit 2, the “*Modified AUA*”) in accordance with the terms of the AUA as set forth in more detail in Sections 2.1.1 and 2.1.2 below, and on Exhibit A attached hereto. All other terms and conditions of the AUA will remain in effect, and American will assume the Modified AUA as of the Effective Date.

2.1.1 Exhibit 1 Period. Pursuant to Section 1103(B) of the Modified AUA, during the Exhibit 1 Period: (a) American will continue to operate at the

Airport from the alternate facilities shown on Exhibit 1, (b) American will pay rent pursuant to the terms of the Modified AUA based upon the square footage described in Exhibit 1; and (c) American will have a one-time right to return to the City a portion of the space described on Exhibit 1, but any space returned by American to the City related to City improvements regarding: (1) American's baggage service office and (2) American's baggage make-up area shall not count toward American's "one-time right" to return space referenced in this Section, and American's rent pursuant to the terms of the Modified AUA will be adjusted based on the square footage of space returned by American; provided, however, the return of space and any adjustment to rent shall be made prospectively only from the date of the remaining term of the Exhibit 1 Period and will become effective only after: (A) American has delivered written notice to the attention of the Airport Director describing the space to be returned to the City; and (B) American has vacated the space to be returned. It is understood by the Parties that, in the event American returns to the City a portion of the space related to City improvements regarding: (1) American's baggage service office or (2) American's baggage make-up area, American's rent pursuant to the terms of the Modified AUA will be adjusted based on the square footage of space returned by American.

2.1.2 Exhibit 2 Period. On the first day of the Exhibit 2 Period, American will abandon and, pursuant to Section 409 of the Modified AUA, the City will delete from the Leased Premises certain space leased by American at the Airport's passenger terminal building, so that the resulting Leased Premises for



the remainder of the Exhibit 2 Period shall be as described in Exhibit 2. During the Exhibit 2 Period: (a) American's Leased Premises will be reflected on Exhibit B to the Modified AUA as shown on Exhibit 2 (with actual as-built space measurements subject to adjustments pursuant to Section 402.D of the Modified AUA); and (b) American will pay rent pursuant to the Modified AUA; provided, however, that if American has not completed its construction of the Exhibit 2 space within the Exhibit 1 Period (subject to the extension of the Exhibit 1 Period for the Admiral's Club to June 30, 2013), thereby preventing American from fully relocating into such Exhibit 2 space and, as a result, American continues to occupy any Exhibit 1 space not described in Exhibit 2, American will pay rent in accordance with the terms and conditions of the Modified AUA based on Exhibit 1 space actually occupied by American as well as all of the Exhibit 2 space, regardless of whether such Exhibit 2 space is occupied by American at the time.

2.2 The Parties acknowledge and agree that during the Interim Relocation Period American made, and the City accepted, rental payments under the AUA based upon the actual amount of space in the alternate facilities made available by the City to American pursuant to Section 1103(B) of the AUA following the April 22, 2011 tornado. The City hereby waives its right to any claim it may have against American related to any alleged rental payments currently owed under the AUA during the Interim Relocation Period. For the avoidance of doubt, the waiver described in this Section 2.2 shall not include the City's claim against American for any other amounts currently owed under the AUA during the Interim Relocation Period including, without limitation, common use, badging, electric, fingerprints, water and steam, and landing fees.

2.3 The Parties agree that upon completion of the fiscal year 2012 rates and charges settlement, amounts may be due from American to the City or from the City to American in accordance with the terms of the Modified AUA (the "*FY2012 True-up*"). The Parties agree that the FY2012 Truc-up was not included in the calculation of the claims described in the Settlement Agreement, including the Other Cure Claims, is not being released or waived by the Parties, and will not be discharged in American's bankruptcy. The Parties agree that any amount due to American or the City as a result of the rates and charges settlement for fiscal year 2012, and each fiscal year rates and charges settlement thereafter is an obligation being assumed under the Modified AUA and will be paid or credited, as the case may be, in the ordinary course.

3. MOA

3.1 MOA Unsecured Claim. The City acknowledges that no amounts under the MOA were due from American as of the Commencement Date. Effective as of the Effective Date, the City is granted an allowed general unsecured claim against American in the amount of \$4,568,055.44, which constitutes (i) 60% of any and all unpaid principal amounts that were due between the Commencement Date and the Effective Date, plus (ii) 60% of any and all principal amounts that become due and owing from the Effective Date and thereafter, under the MOA (collectively, the "*MOA Unsecured Claim*"). The MOA Unsecured Claim shall be treated and satisfied in accordance with all other allowed general unsecured claims against American.

3.2 Amended MOA. American and the City will enter into a Fifth Amendment to the MOA, amending the MOA (such amended agreement, the "*Amended MOA*") as of the Effective Date, and American will assume the Amended MOA as of the

Effective Date. A copy of the Fifth Amendment to the MOA is annexed hereto as Exhibit B.

3.2.1 Modified MOA Obligation. As of the Effective Date, American will be responsible to pay pursuant to the Amended MOA, on an ongoing basis, only the remaining 40% of the principal, and interest thereon, that become due from and after the Effective Date (the "*Modified MOA Obligation*"). The Modified MOA Obligation will be amortized and paid in accordance with the terms of the Amended MOA, with monthly payments beginning on the first day of the month following the Effective Date and continuing on the first day of each month thereafter for the remainder of the Amended MOA's term until June 1, 2036, at which time the balance, as modified by the Amended MOA, will have been paid in full. The City agrees that any reductions described herein with respect to American's financial obligations to the City under the MOA does not and shall not constitute a default by American under the MOA.

3.2.2 Other Amendments to the MOA. The Amended MOA will also reflect that in the event another air carrier operating at the Airport is assigned by the City to use capital improvements financed under the MOA, the Modified MOA Obligation will be further reduced during the pendency of such use by a pro rata amount, which will be calculated based on American's MOA payment of 40%, provided that if the City were to take back such capital improvement without American's prior written consent, then the Modified MOA Obligation will be permanently reduced by a pro rata amount as described above.

3.3 Satisfaction of Claims Under the MOA. The amendments to the MOA contemplated above, the payment of the MOA Cure Amount (set forth below), and the

allowance of the MOA Unsecured Claim (set forth below), will be in full and final satisfaction of any default under the MOA existing as of the Effective Date. Except as set forth in this Settlement Agreement, all other terms and conditions of the MOA will remain unchanged in the Amended MOA, and American will assume the Amended MOA as of the Effective Date.

4. **Loading Bridge MOA**

4.1 **Assumption of Loading Bridge MOA.** American will assume the Loading Bridge MOA as of the Effective Date.

5. **Maintenance Hangar Lease**

5.1 **Amendments to Maintenance Hangar Lease.** As of the Effective Date, the Maintenance Hangar Lease will be further amended (such amended agreement, the "*Amended Maintenance Hangar Lease*") to extend the term of the Maintenance Hangar Lease for a period ending no later than June 30, 2016. All other terms and conditions of the Maintenance Hangar Lease, as amended pursuant to this Agreement, will remain unchanged and in effect, and American will assume the Amended Maintenance Hangar Lease as of the Effective Date. A copy of the Amended Maintenance Hangar Lease is annexed hereto as **Exhibit C**.

6. **Cargo City Lease**

6.1 **Use of Premises.** American and the City acknowledge and agree that the term of the Cargo City Lease has expired, and, therefore, the Cargo City Lease shall not be assumed by American, but that American continues to enjoy the use and benefit of the Cargo City Lease premises as a holdover tenant in accordance with the terms of the Cargo City Lease; provided, however, that American intends and agrees to vacate the Cargo City Lease premises no later than December 31, 2012, in accordance with the

terms of the Cargo City Lease, unless otherwise agreed to in writing by the City and American. Until such time as American vacates the Cargo City Lease premises, American agrees to continue making monthly payments to the City when due as is set forth in the Cargo City Lease.

7. Assumption of Assumed Agreements and Related Cure Payments

7.1 Assumption. American will assume, pursuant to section 365(a) of the Bankruptcy Code, as of the Effective Date, (i) the Modified AUA, (ii) the Amended MOA, (iii) the Amended Maintenance Hangar Lease, and (iv) the Loading Bridge MOA (collectively, the "*Assumed Agreements*").

7.2 Cure Amounts

7.2.1 MOA Cure Amount. As a condition to assumption of the Amended MOA, American will make a cure payment to the City within seven (7) business days following the Effective Date in an amount equal to 40% of the unpaid principal due and owing to the City under the MOA as of the Effective Date (the "*MOA Cure Amount*"). Assuming a March 1, 2013 Effective Date, the MOA Cure Amount will be \$138,421.11.<sup>2</sup>

7.2.2 Other Cure Amounts. In connection with the assumption of the Assumed Agreements, excluding the Amended MOA, pursuant to section 365(b) of the Bankruptcy Code, American will cure all defaults and pay all pre-petition and post-petition charges due under the Assumed Agreements, including all past due rents, fees, charges, and other amounts payable under the Assumed Agreements (other than the

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<sup>2</sup> This figure reflects charges through February 28, 2013, is based on a presumed Effective Date of March 1, 2013 and is subject to change.

Amended MOA), within seven (7) business days after the Effective Date (the “*Other Cure Amounts*”). As of September 12, 2012, the amount of the Other Cure Amounts was \$989,386.77,<sup>3</sup> which is comprised of a pre-petition amount of \$722,811.22 and a post-petition amount of \$266,575.55. The amount of the Other Cure Amounts is subject to change and will be recalculated by the City as of the Effective Date, and such recalculated amount shall be subject to the agreement of the City and American.

7.2.3 No Security Deposits Required. The City shall not request American to provide the City with a security deposit in connection with amounts currently due under any of the Assumed Agreements; provided, however, that if American causes an event of default to occur under any of the Assumed Agreements, which event of default remains uncured in accordance with the terms of the particular Assumed Agreement, the City has the right to request a security deposit in accordance with the terms of such Assumed Agreement.

7.3 Adequate Assurance. The Debtors have provided adequate assurance of future performance under the Assumed Agreements for purposes of Section 365(b)(1)(C) of the Bankruptcy Code, and no further showing of adequate assurance is necessary for the Debtors to assume the Assumed Agreements.

8. Approval Motion/ Approval Order

8.1 Approval Motion. On or after December 8, 2012, or such other later date as American and the City may agree, the Debtors shall file a motion with the Bankruptcy Court, seeking approval of this Settlement Agreement pursuant to Bankruptcy Rule 9019

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<sup>3</sup> These figures are based on amounts owing under the Assumed Agreements, excluding the Amended MOA, as of September 12, 2012 and are subject to change.

(the "*Approval Motion*") with a hearing to be held on January 9, 2013, the Court's next available hearing date thereafter, or such other later date as the City and American may agree. The Approval Motion shall propose an Approval Order, in a form substantially acceptable to American and the City, (i) approving the terms of the Settlement Agreement, (ii) authorizing, following the occurrence of the conditions precedent set forth in Section 9 below, the Debtors to execute and enter into the Assumed Agreements in substantially the form annexed as exhibits to this Settlement Agreement and to undertake any other actions necessary in furtherance of the agreements memorialized in the Settlement Agreement.

9. **Governmental Approval**

9.1 The Parties acknowledge and agree that before the City can enter into this Settlement Agreement, the Settlement Agreement must be approved by the City's Comptroller, the City Counselor, and the Airport Director, and must be authorized by the Ordinance, and must be approved by the City's Board of Aldermen and the Mayor of the City.

10. **Releases**

10.1 Chapter 5 Causes of Action. Except as otherwise provided in this Settlement Agreement, upon the occurrence of the Effective Date: (a) the Debtors will release the City from any and all claims and causes of action that the Debtors may have against the City under the Agreements, pursuant to chapter 5 of the Bankruptcy Code and (b) the City will release the Debtors from any and all claims and causes of action that the City may have against the Debtors under the Agreements, pursuant to chapter 5 of the Bankruptcy Code. The foregoing releases do not include any right to payment, claims or causes of action related to: (1) the continuing obligations that American and the City have

to one another under the Assumed Agreements; (2) the MOA Cure Amount; (3) the Other Cure Amounts; (4) the Cargo City Lease; (5) any obligations of the Debtors and the City undertaken pursuant to this Settlement Agreement; (6) the MOA Unsecured Claim; (7) the continuing obligations that American Eagle Airlines, Inc. and the City have to one another pursuant to the operating agreement (No. AL-173) that was assumed pursuant to the order of the Bankruptcy Court entered on June 20, 2012 (Doc. No. 3301) in the Chapter 11 Case; and (8) any proof of claim filed by or on behalf of the City against one or more of the Debtors in the Chapter 11 Case; provided however, to the extent any such proof of claim asserts claims that are the subject of the settlements embodied in this Settlement Agreement (including, but not limited to, claims for amounts outstanding under the Agreements), such claims will be deemed to have been resolved and withdrawn as of the Effective Date without any further actions by the Parties.

**11. Representations of the Parties.**

11.1 Each Party separately represents and warrants to the other Party that, subject to any necessary approvals described in the Settlement Agreement, it has the requisite power and authority to (a) execute, deliver, enter into and perform this Settlement Agreement, (b) provide the releases set forth herein, and (c) perform the obligations imposed on it by this Settlement Agreement.

11.2 Each Party separately represents and warrants to the other Party that (i) this Settlement Agreement has been thoroughly negotiated and analyzed by each Party and/or its counsel and has been executed and delivered in good faith, pursuant to arm's-length negotiations and for good and valuable consideration, (ii) it is not relying upon any statements, understandings, representations, expectations or agreements other than those expressly set forth in this Settlement Agreement (including all of its exhibits, schedules,



attachments and appendices), (iii) it has had the opportunity to be represented and advised by legal counsel in connection with this Settlement Agreement, which it makes voluntarily and of its own free choice and not under coercion or duress, and (iv) it has made its own investigation of the facts and is relying upon its own knowledge and the advice of its own counsel.

11.3 This Settlement Agreement has been negotiated by each of the Parties, and/or their respective legal counsel and representatives. Legal and equitable principles that might require the interpretation of this Settlement Agreement or any of its provisions against the Party responsible for the drafting this Settlement Agreement shall not apply in interpreting this Settlement Agreement.

11.4 This Settlement Agreement shall be binding upon and will inure to the benefit of each of the Parties and their successors, assigns, heirs, executors and/or administrators.

## 12. Miscellaneous Provisions.

12.1 Cooperation. Each of the Parties covenants that it will faithfully cooperate and perform, at all times, all of its covenants, undertakings, stipulations and provisions contained in this Settlement Agreement. Specifically, to the extent that it is authorized by the Approval Order, the Ordinance, the Bankruptcy Court, the Bankruptcy Code and/or applicable nonbankruptcy law, each of the Parties agrees to make any amendments or modifications to the Assumed Agreements necessary to implement the terms and provisions or purposes of this Settlement Agreement.

12.2 Waiver of Right to Reclassify or Recharacterize. Upon the Effective Date, the Debtors will have waived their right to seek to reclassify or recharacterize the Assumed Agreements as financing agreements.

12.3 No Admission. This Settlement Agreement represents a compromise of disputed claims and, except as necessary to enforce any undertakings set forth in this Settlement Agreement, this Settlement Agreement shall not be deemed an admission or concession by any Party with respect to any factual or legal contention, right, defense or position taken by any other Party. Specifically, nothing herein shall constitute an admission by any of the Parties that any of the Agreements or Assumed Agreements are executory or non-executory, are interdependent and integrated or are separate and divisible, or are considered or constitute a lease of non-residential real property.

12.4 Settlement Agreement Conditioned on Bankruptcy Court Approval and Governmental Approval. This Settlement Agreement is not to be considered or construed as a binding agreement between the City and American, and the terms and conditions proposed herein shall not be effective or binding upon the City or American unless and until (i) the Settlement Agreement (including the undertakings of American contemplated thereby) is approved by the Bankruptcy Court, (ii) the Ordinance becomes effective; and (iii) the Settlement Agreement is executed and delivered by both parties. In the event either the Bankruptcy Court does not approve the terms of this Settlement Agreement or the Ordinance does not become effective, the agreements contained herein shall be null and void and shall be of no force and effect, and each of the Parties' respective rights, remedies, interests and defenses shall be fully restored without prejudice, unless otherwise agreed to in writing by the Parties.

12.5 No Third Party Beneficiaries. Nothing in this Settlement Agreement shall be deemed to create any rights (express or implied) in any persons who are not Parties to this Settlement Agreement, and the Parties expressly agree that there are no third-party

beneficiaries of this Settlement Agreement. The Parties further agree that no person other than a Party to this Settlement Agreement shall be entitled to enforce this Settlement Agreement or acquire any right, remedy or benefit by reason of any provision of this Settlement Agreement.

12.6 Amendments. The Settlement Agreement may only be amended or otherwise modified by a signed writing executed by the Parties.

12.7 Counterparts. This Settlement Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument, and it shall constitute sufficient proof of this Settlement Agreement to present any copy, copies, electronic copies or facsimiles signed by the Parties.

12.8 Governing Law. This Settlement Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of New York without giving effect to the provisions, policies, or principles thereof relating to choice of law or conflicts of laws.

12.9 Jurisdiction of the Bankruptcy Court. The Parties agree that the Bankruptcy Court shall retain exclusive jurisdiction over the Settlement Agreement (including, but not limited to, any disputes, claims, demands, or controversies that may arise thereunder).

12.10 Effect of Headings. Captions and headings in this Settlement Agreement are for convenience of reference only and are not intended to be a part of, or to affect the interpretation of, the Settlement Agreement.

13. Notice.

Any and all notices to be provided pursuant to this Settlement Agreement shall be in writing and sent by electronic mail or facsimile and also by overnight delivery service. Such notices shall be sent to those listed below or to such other individuals as the respective party may designate in writing from time to time:

**For the City:**

Airport Director  
Lambert-St. Louis International Airport®  
10701 Lambert International Boulevard  
St. Louis, Missouri 63145

Fax: 314-426-5733

with copies to:

Airport Properties Department  
Lambert-St. Louis International Airport®  
10701 Lambert International Boulevard  
St. Louis, Missouri 63145

Fax: 314-426-8076

and to:

City Counselor  
City Hall  
1200 Market Street, Room 314  
St. Louis, Missouri 63103

Fax: 314-622-4956

**For the Debtors:**

American Airlines, Inc.  
c/o Kevin Cox  
4333 Amon Carter Blvd., MD 5317  
Ft. Worth, Texas 76155

**SIGNATURES ARE CONTAINED ON THE FOLLOWING PAGES**

ACKNOWLEDGED THIS \_\_\_ DAY OF \_\_\_\_\_ 2013 BY:

AMERICAN AIRLINES, INC.;

By: \_\_\_\_\_

Name: Kevin Cox

Title: Vice President Corporate Real Estate

**CITY SIGNATURES ARE CONTAINED ON THE FOLLOWING PAGE**

THE CITY OF ST. LOUIS, THE OWNER AND OPERATOR OF LAMBERT-ST. LOUIS  
INTERNATIONAL AIRPORT®:

Authorized by City Ordinance \_\_\_\_\_, approved \_\_\_\_\_, 201\_\_.

By: \_\_\_\_\_  
Name: Darlene Green  
Title: Comptroller

By: \_\_\_\_\_  
Name: Patricia A. Hageman  
Title: City Counselor

By: \_\_\_\_\_  
Name: Rhonda Hamm-Niebruegge  
Title: Director of Airports

ATTESTED TO:

By: \_\_\_\_\_  
Name: Perry L. May  
Title: Register

## **EXHIBIT A TO SETTLEMENT AGREEMENT**

**(EXHIBIT 1 & EXHIBIT 2)**

## **EXHIBIT 1**

**ALTERNATE FACILITIES MADE AVAILABLE  
TO AMERICAN AIRLINES AS OF APRIL 1, 2012  
PURSUANT TO SECTION 1103(B) OF THE AUA**



EXHIBIT I SUMMARY SHEET  
AMERICAN AIRLINES' PREMISES  
4/1/2012

	<u>Sq. Ft</u>
<u>TERMINAL I UPPER LEVEL:</u>	
North Ticket Counter Area	3,967
Sup'y Office Area West of Sta Mgr's Ofc	1,150
Station Mgr's Office	1,673
Curbside Check-In	127
Ticketing Kiosks	72
	<u>6,989</u>

<u>TERMINAL I MID LEVEL:</u>	
BSO	1,186
BSO	730
Ticketing Kiosks	72
North Counter Conveyor Chute	93
Flight Svc. Offices next to Adm. Club	1,270
Admiral's Club (Partial only)	570 *
	<u>3,921</u>

<u>TERMINAL I APRON LEVEL:</u>	
Bag MakeUp	4,980

<u>C CONCOURSE - CONCOURSE LEVEL:</u>	
Gate C6 Holdroom	2,265
Gates C8, 10, 12 Holdroom	6,471
Adjacent Office/Break Rm	404
	<u>9,140</u>

<u>C CONCOURSE - APRON LEVEL:</u>	
Stores	4,190
Cabin	600
T1 Room	187
Temp Relocation	3,400
	<u>8,377</u>

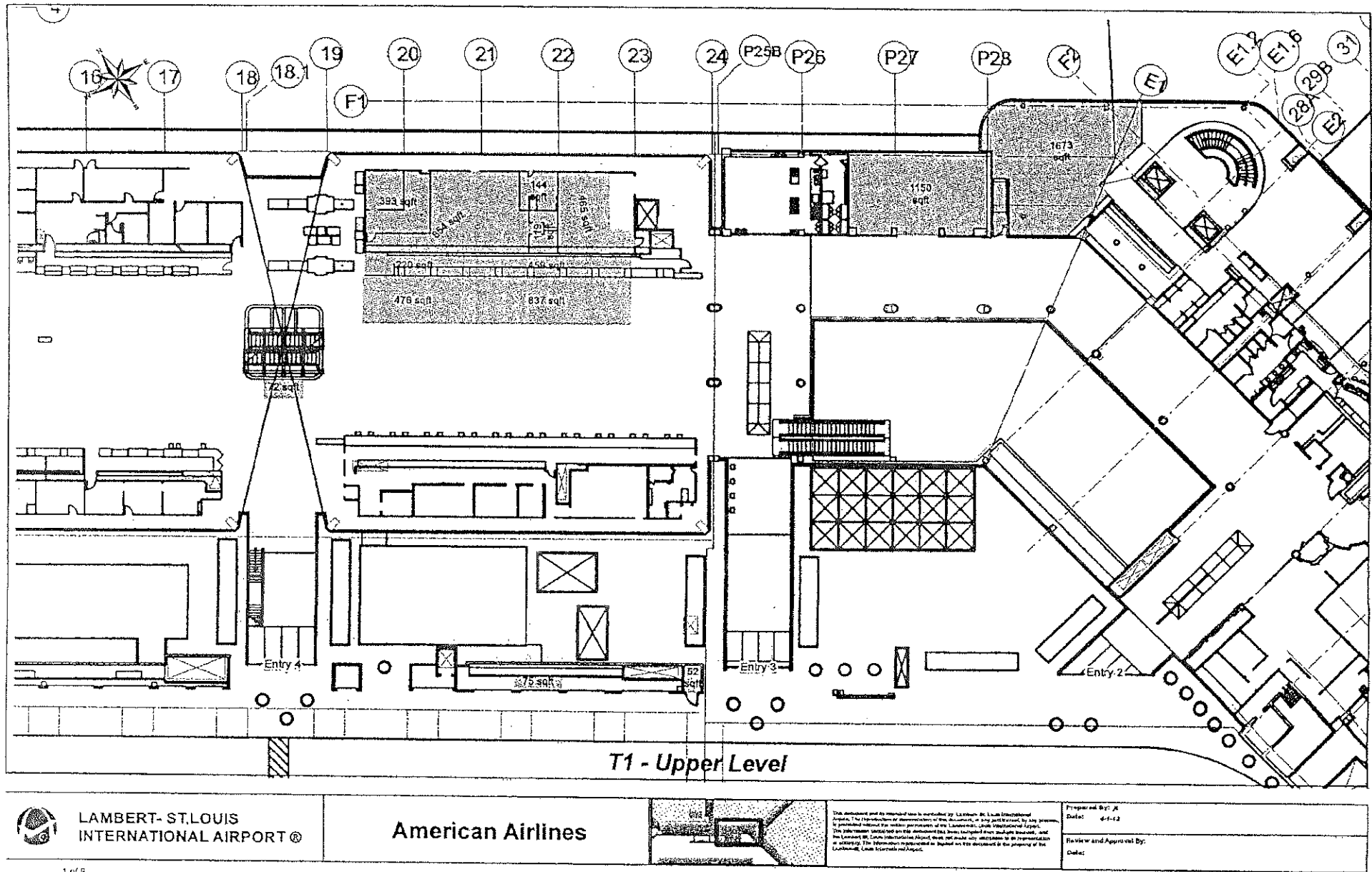
<u>D CONCOURSE - CONCOURSE LEVEL:</u>	
Temp Adm Club (former Cheers)	2,716
Crew Area (Former Minnall Bookstore)	1,135
Crew Storage Area (Rm. D-2067)	246
Crew Quiet Room (Rm D-2096)	457
Rm D-2108 - World Mgt Ofc	174
World Mgt Sig Buildout & Wheelchair Sp	357
D 2120 Temp Ofc for Adm Club Mgr & Equip	550
Buildout (Crew Ofcs) at Gate D12	615
2nd Buildout at Gate D14	946
	<u>7,196</u>

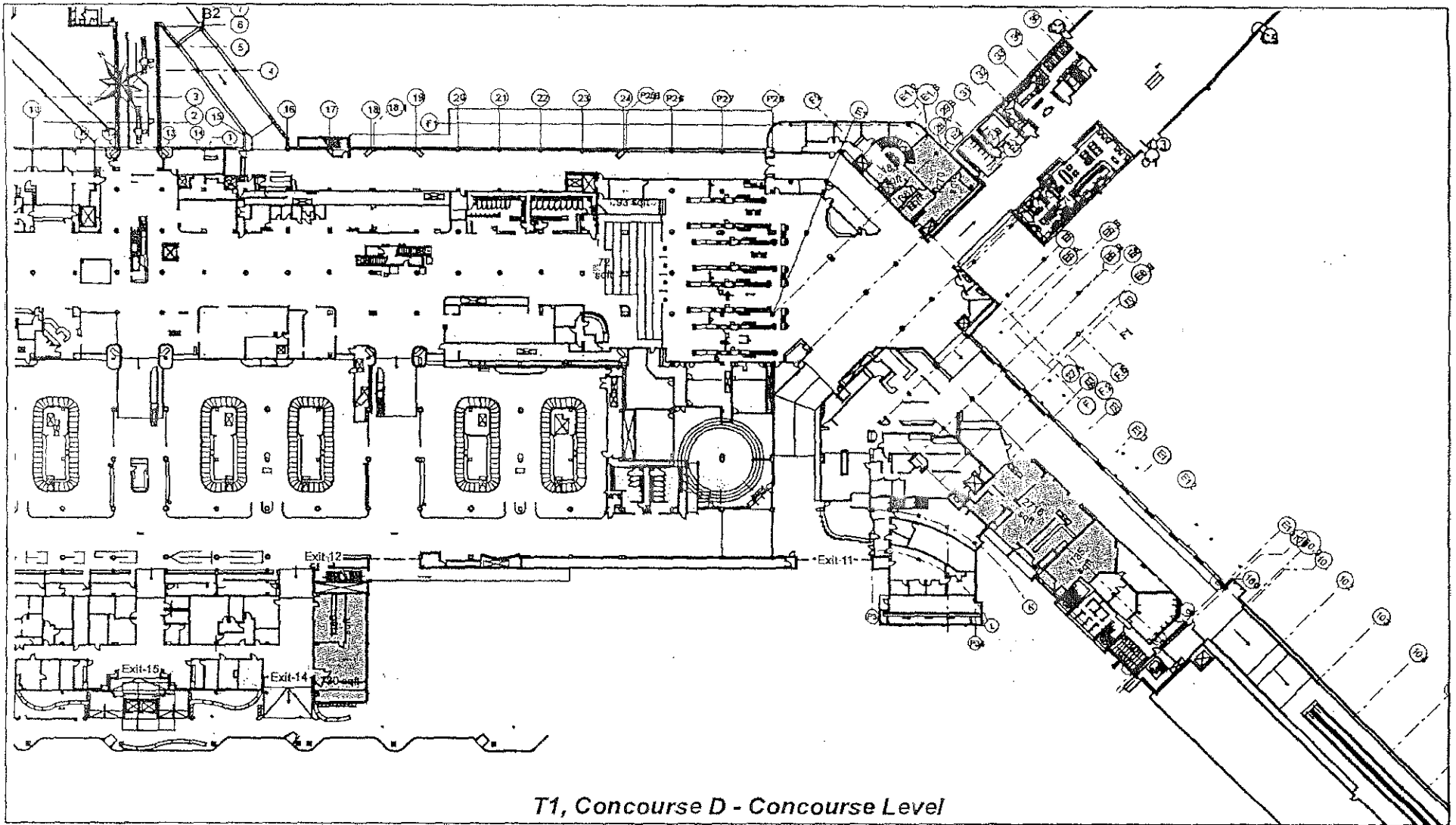
<u>D CONCOURSE - APRON LEVEL:</u>	
Ops Areas east of D10	499
Aircraft Maint Area	2,814
Rm. D-1384 for Aircraft Cleaning Contr	545
	<u>3,858 *</u>

TOTAL SQ FT: 44,461

<u>C CONC APRON UNENCLOSED SP:</u>	908
<u>D CONC APRON UNENCLOSED SP:</u>	1,677
	<u>2,585</u>

\* Subsequent to April 1, 2012, the City and American agreed to: 1) the deletion of 570 sq. ft. of space on the Terminal I Mid-Level as of June 1, 2012, and 2) the addition of 64 sq. ft. of space on the D Concourse Lower Level as of August 1, 2012. Total terminal space from August 1, 2012 through the Effective Date equals 43,955 sq. ft.





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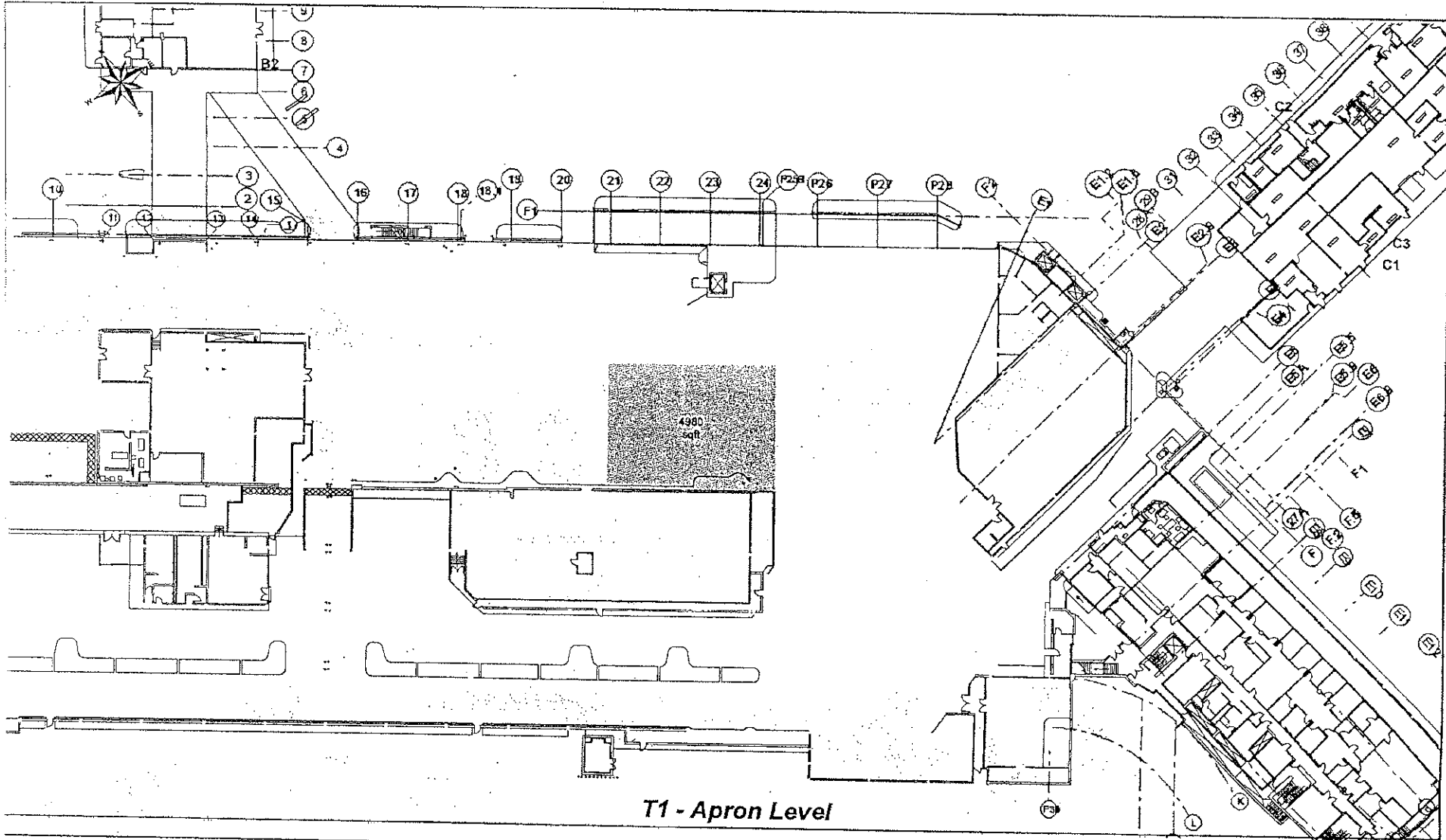
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Date: 4-1-12

Review and Approval By:  
Date:



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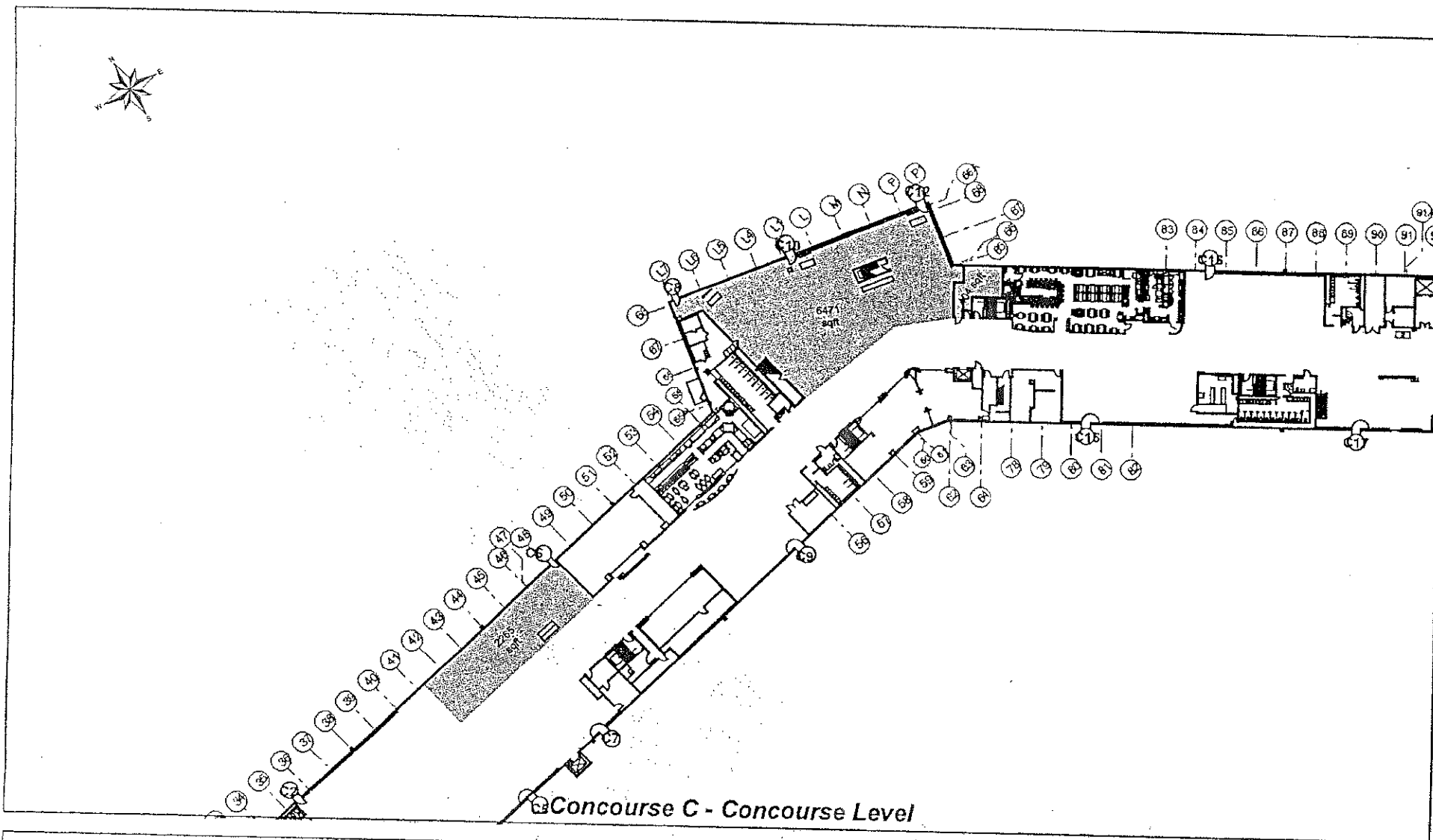
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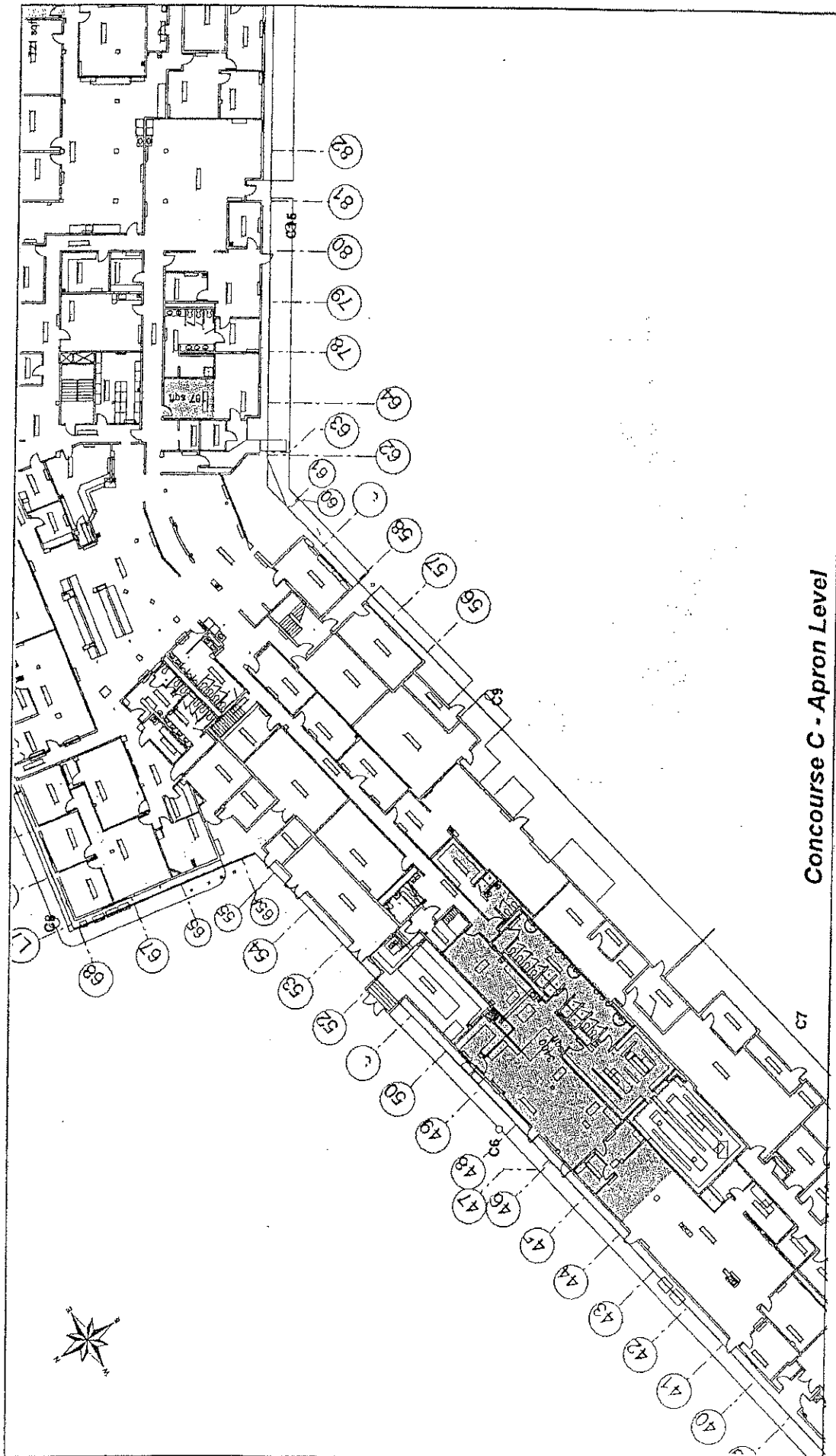
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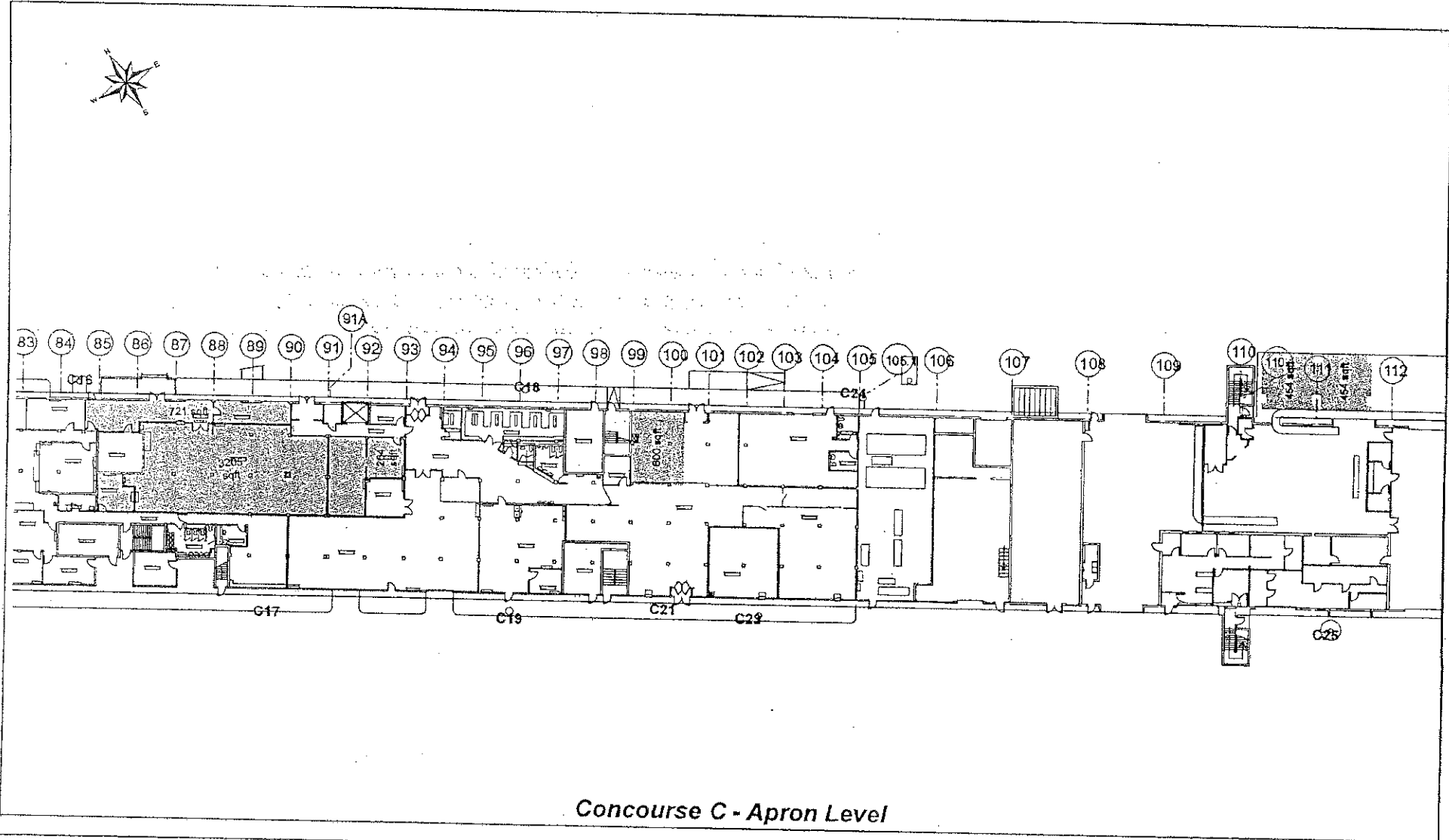
Prepared By: J  
Date: 6-6-12

Review and Approval By:  
Date:



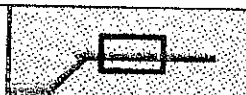
Concourse C - Apron Level

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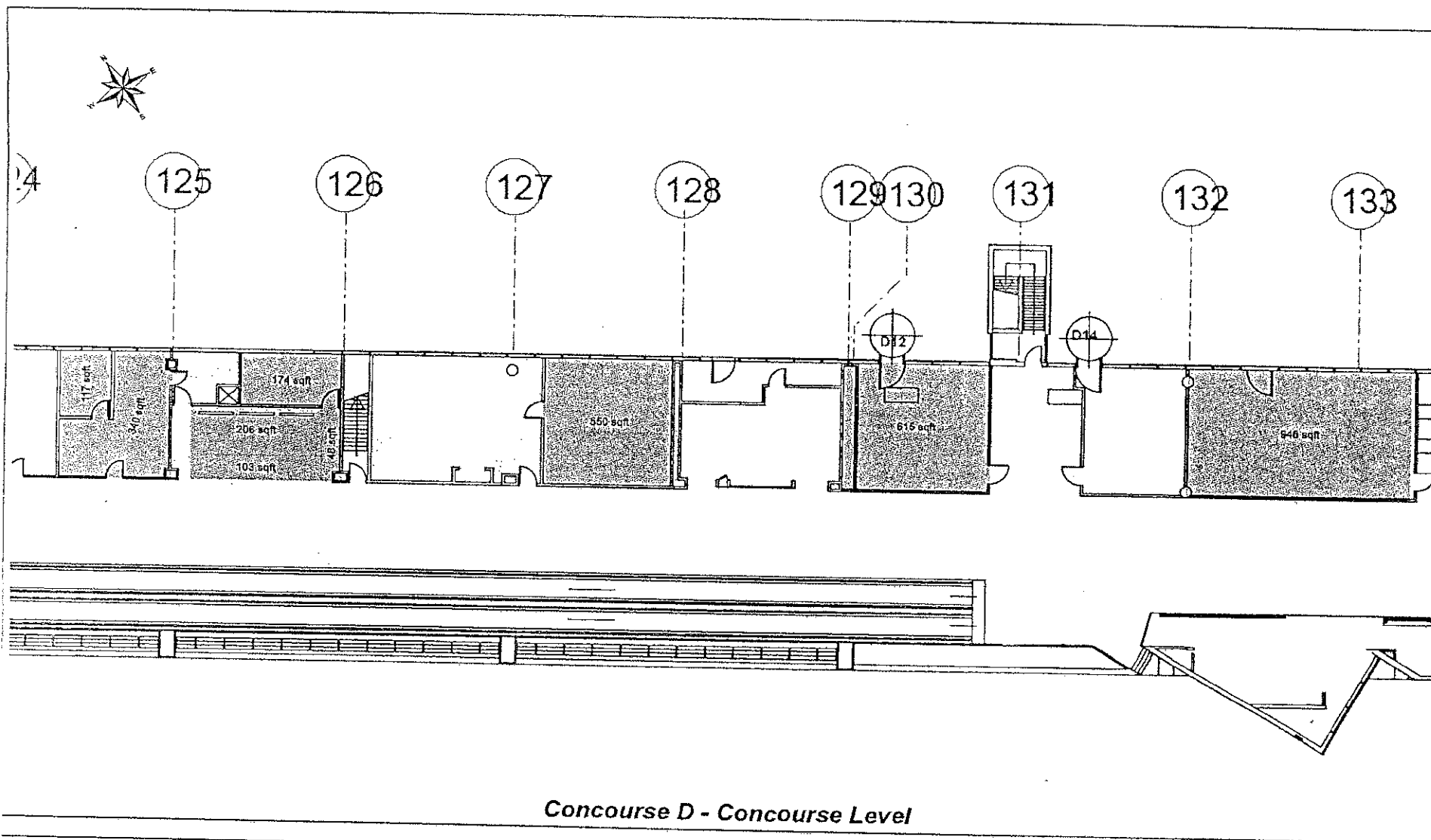
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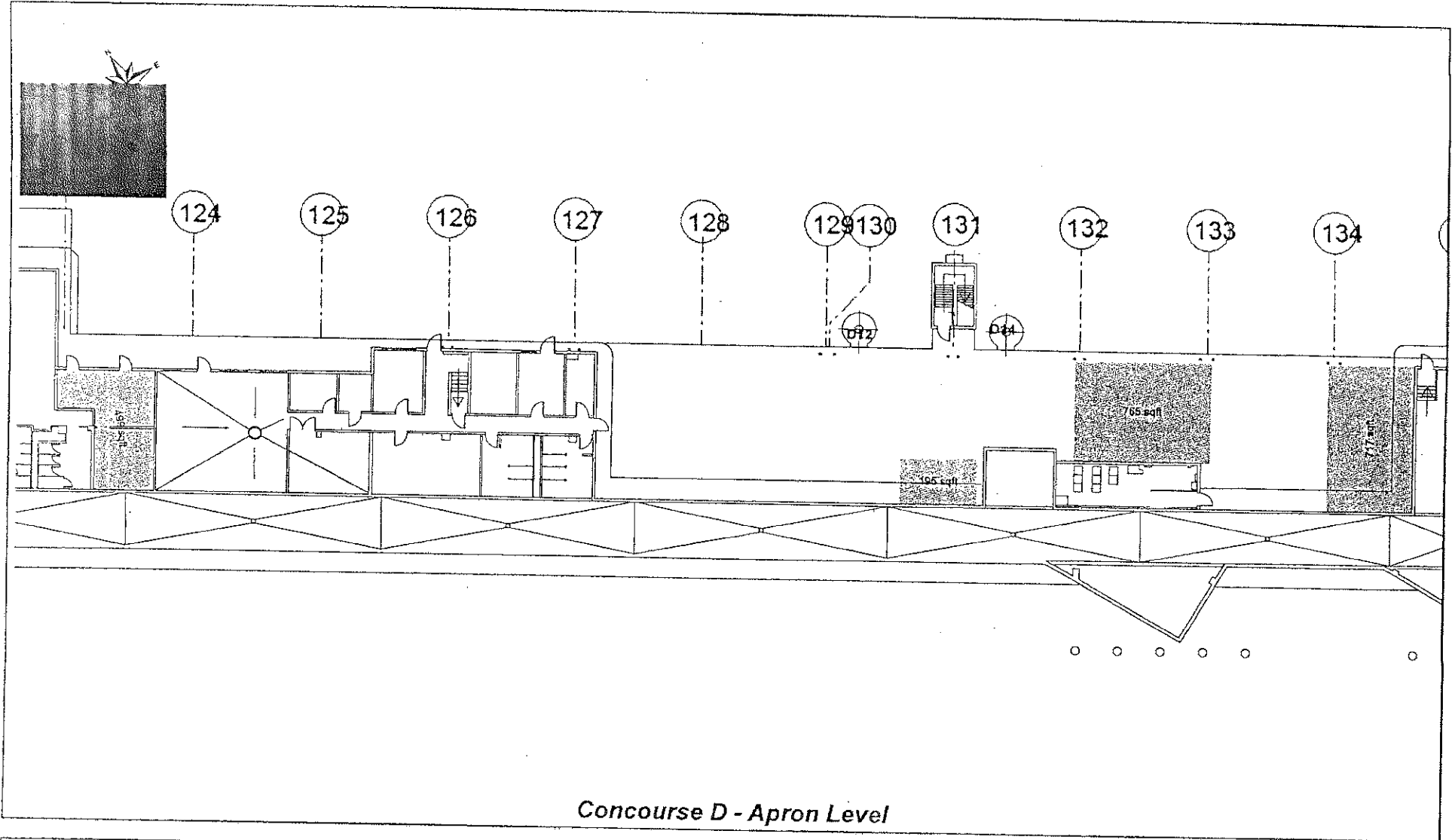



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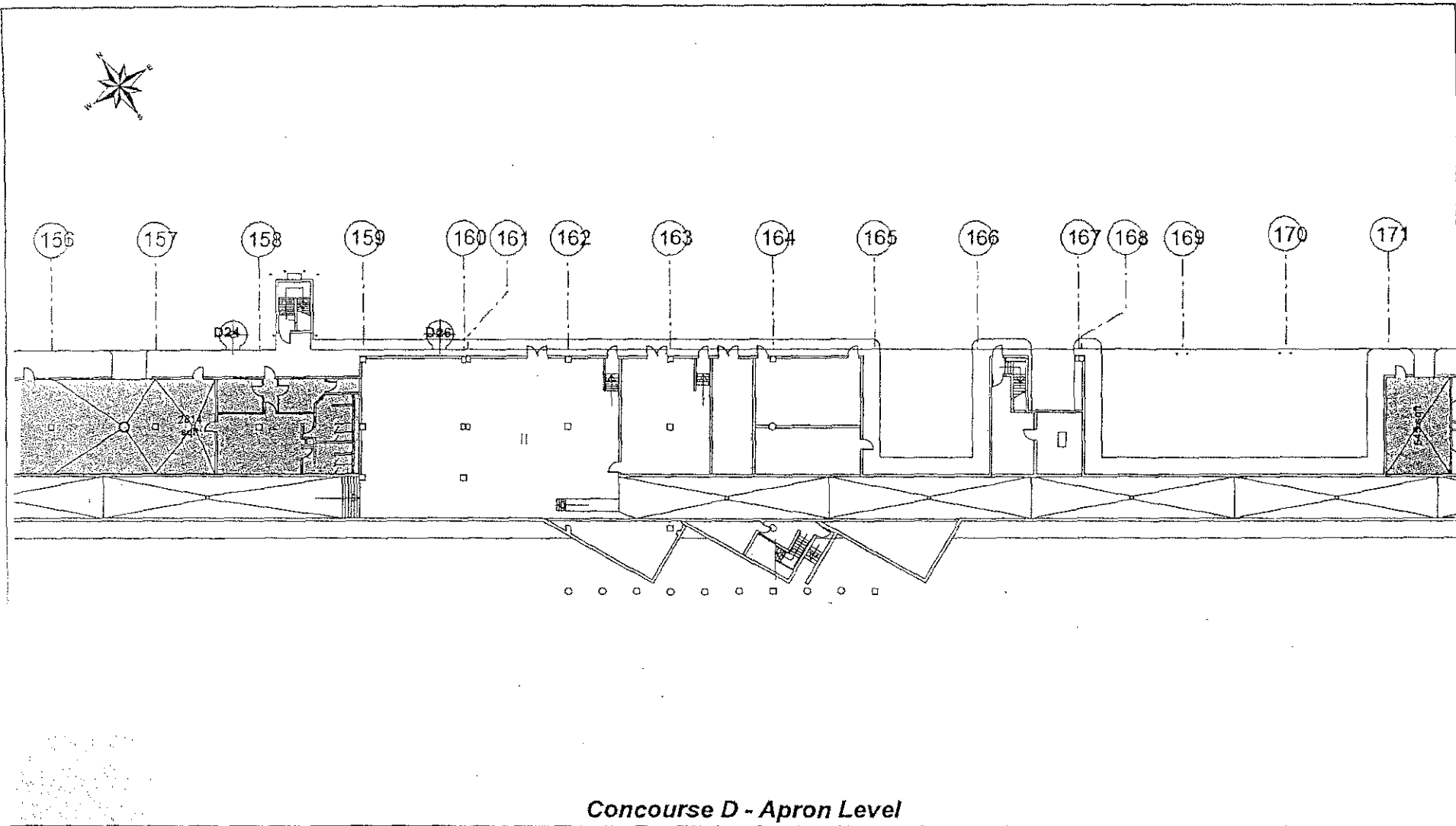
Prepared By: JH  
Date: 4-1-12

Reviewed and Approved By:  
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Date: 4-1-12

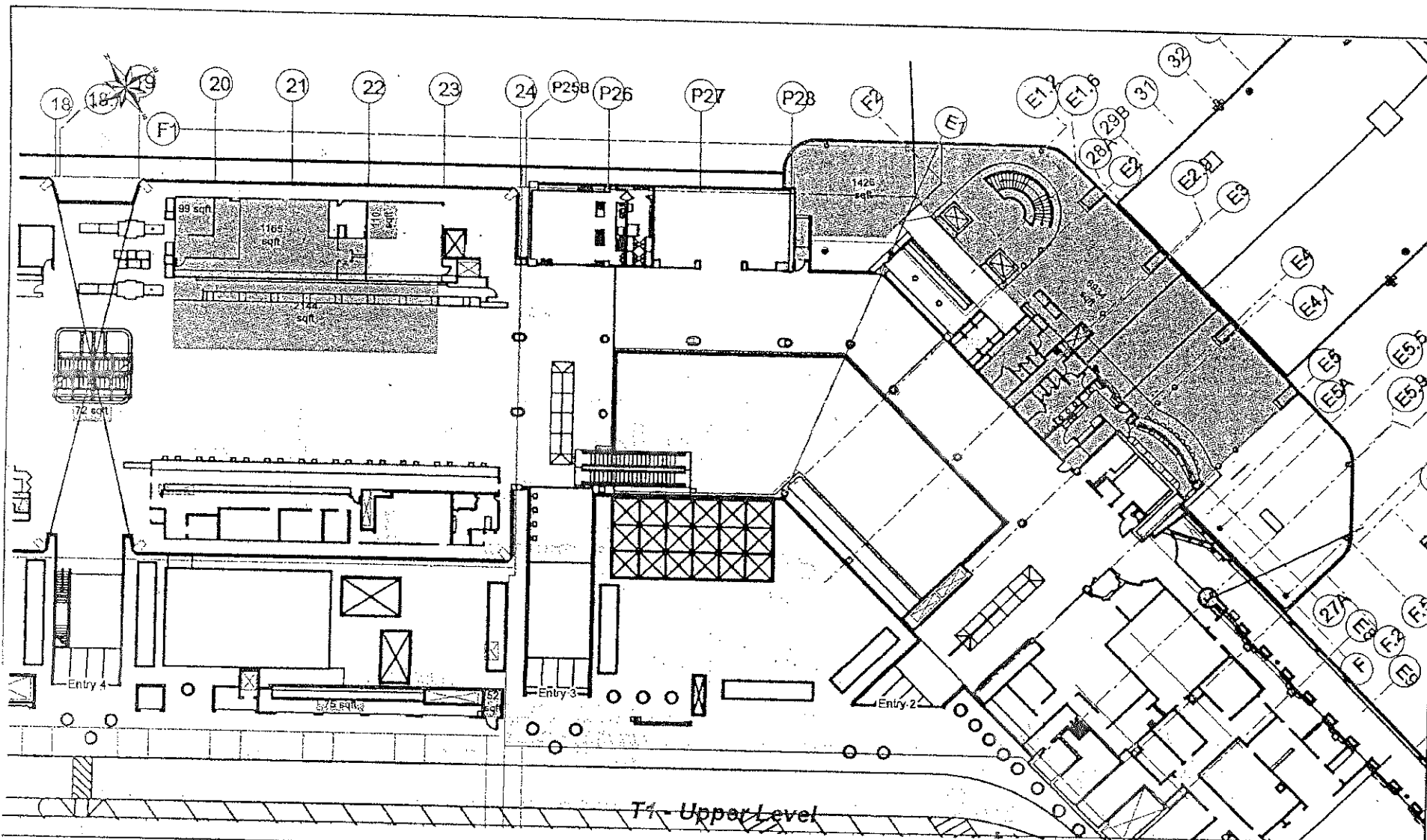
Review and Approval By:  
Date:

## **EXHIBIT 2**

### **AMERICAN AIRLINES' LEASED PREMISES AS OF THE EXHIBIT 2 PERIOD**

EXHIBIT 2 SUMMARY SHEET  
AMERICAN AIRLINES' PREMISES  
4/1/2013

	<u>Sq. Ft.</u>
<u>TERMINAL 1 UPPER LEVEL:</u>	
North Ticket Counter Area	3,518
Station Mgr's Office	1,426
Admiral's Club	6,934
Curbside Check-In	127
Ticketing Kiosks	72
	<u>12,077</u>
<u>TERMINAL 1 MID LEVEL:</u>	
BSO	561
Ticketing Kiosks	72
North Counter Conveyor Chute	93
Flight Svc. Offices next to Adm. Club	1,599
Admiral's Club	750
	<u>3,075</u>
<u>TERMINAL 1 APRON LEVEL:</u>	
Bag MakeUp	4,980
<u>C CONCOURSE - CONCOURSE LEVEL:</u>	
Gate C6 Holdroom	2265
Gates C8, 10, 12 Holdroom	6471
Adjacent Office/Break Rm	404
	<u>9,140</u>
<u>C CONCOURSE - APRON LEVEL:</u>	
Operations Areas	9,727
IT Room C-1149-T	220
	<u>9,947</u>
<b>TOTAL SQ FT:</b>	<u><u>39,219</u></u>
<u>C CONC APRON UNENCLOSED SP:</u>	908



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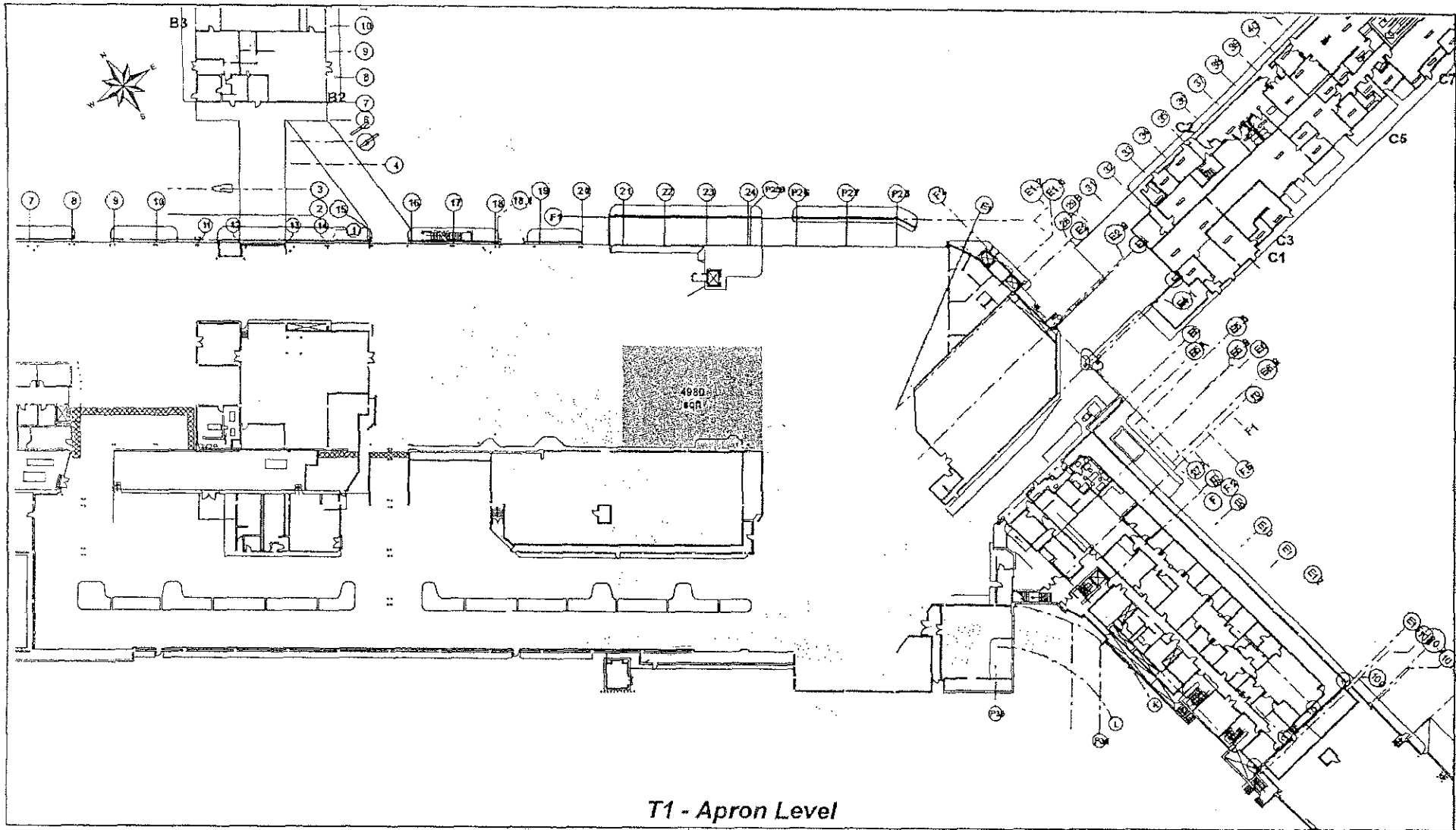


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Date: 8-1-13

Review and Approval By:  
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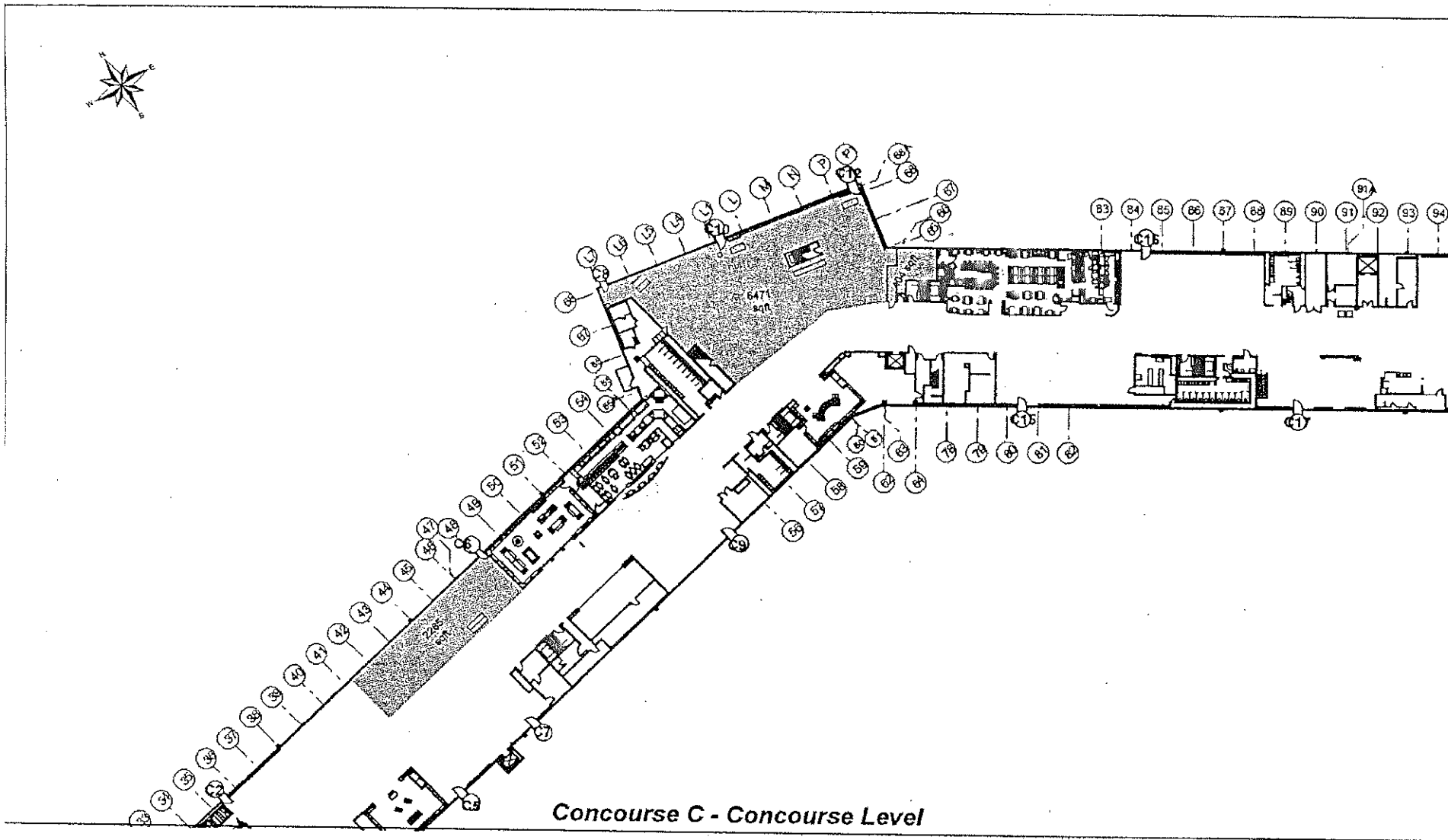
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**Prepared By:** J.K.

**Date:** 4-1-13

**Review and Approval By:**

**Date:**



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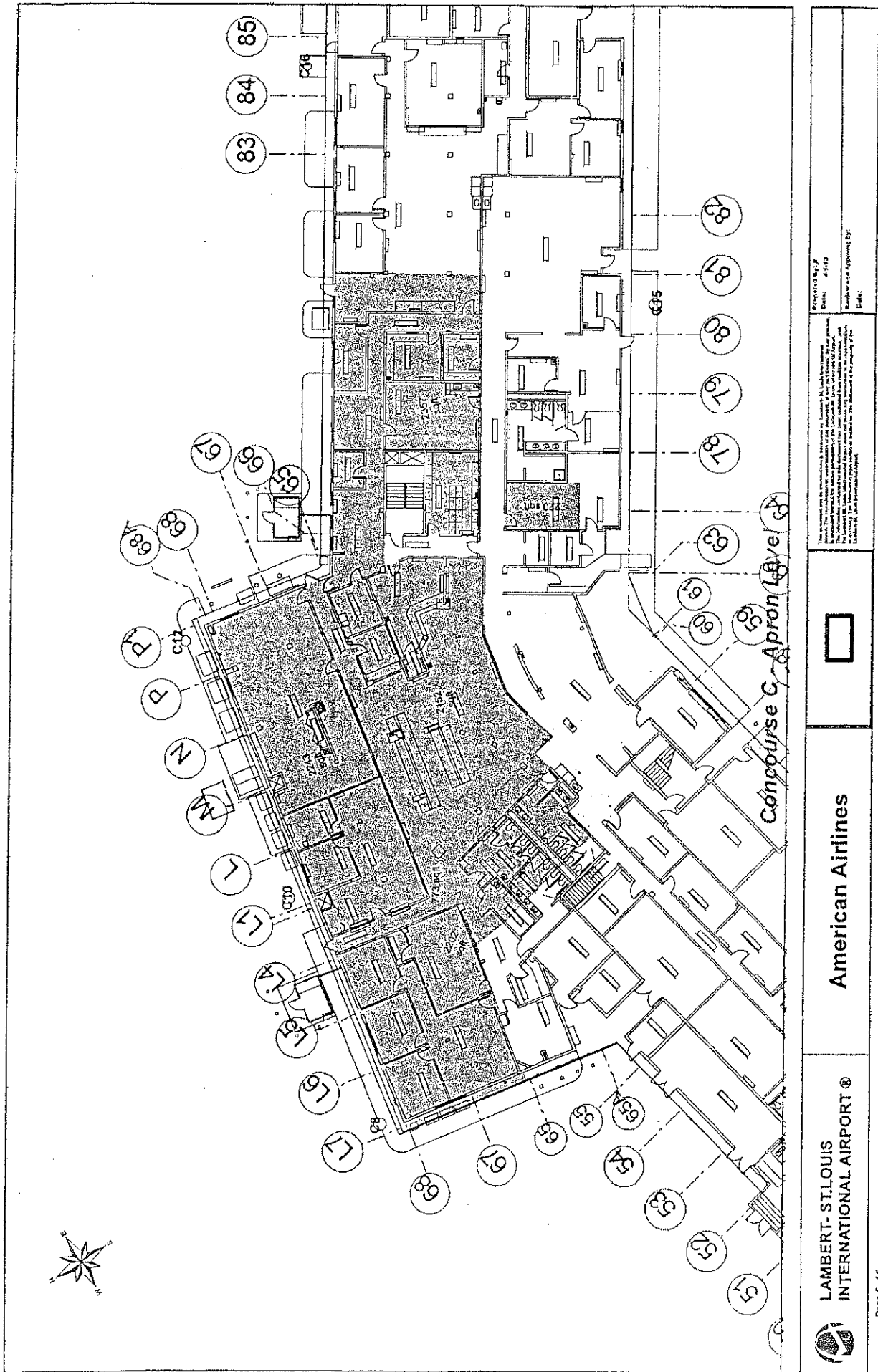
Prepared By: J

Date: 4-9-13

Review and Approval By:

Date:





Prepared By: J  
Date: 4-11-12  
Reviewed By: J  
Date: 4-11-12

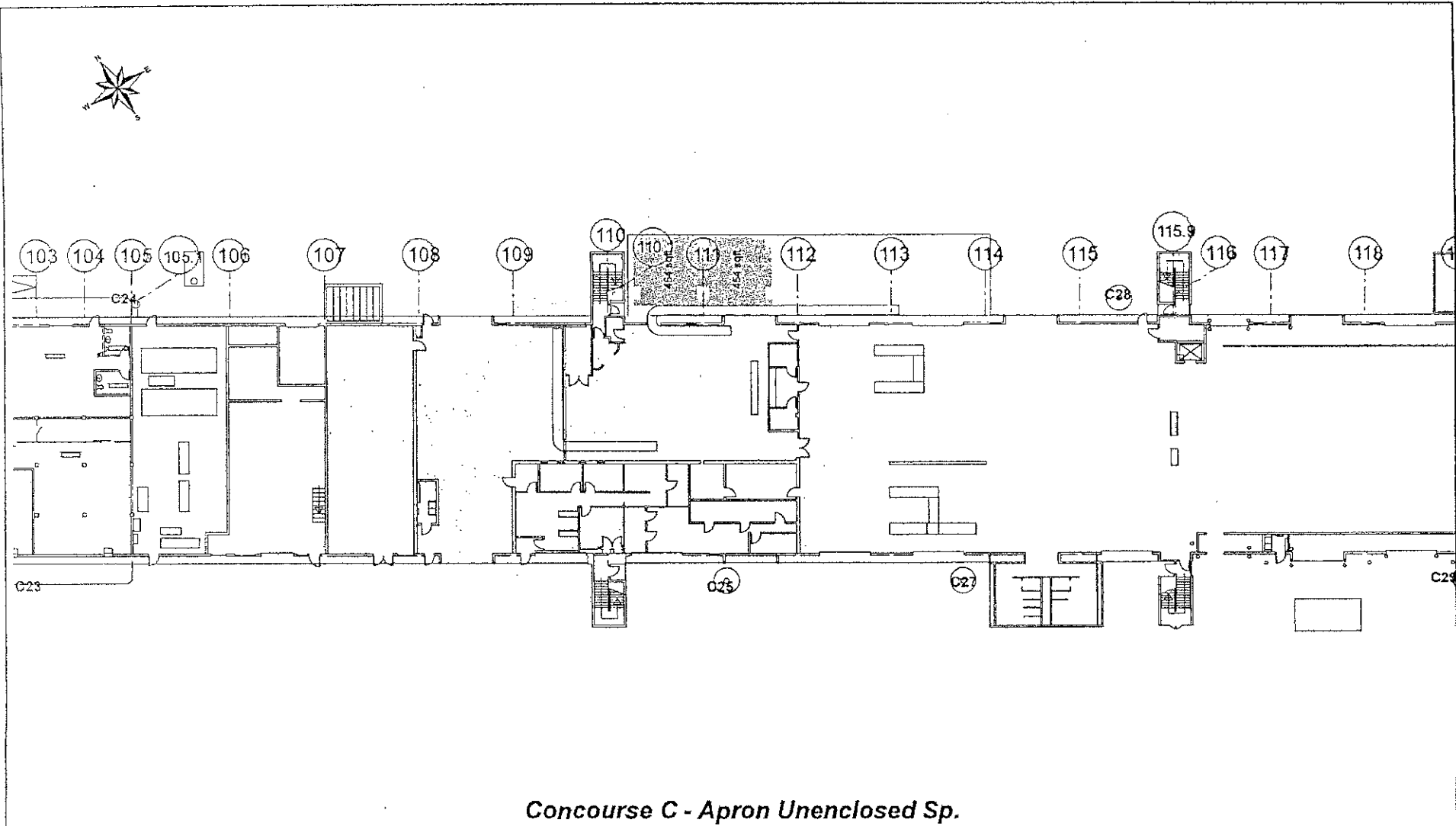
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Prepared By: J  
Date: 4-1-13

Reviewed and Approved By:  
Date:

## **EXHIBIT B TO SETTLEMENT AGREEMENT**

**(FIFTH AMENDMENT TO MOA)**

**FIFTH AMENDMENT  
TO  
MEMORANDUM OF AGREEMENT  
FOR  
IMPROVEMENTS TO THE EXISTING TERMINAL FACILITY  
AT  
LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®**

THIS FIFTH AMENDMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 201\_\_ (“Fifth Amendment”), by and between The City of St. Louis, a municipal corporation of the State of Missouri (“City”), by and through the City’s Board of Public Service, and American Airlines, Inc., a corporation organized and existing under the laws of the State of Delaware (“AA”) (together the “Parties”) is the fifth amendment to the Memorandum of Agreement For Improvements To The Existing Terminal Facility dated February 6, 2003, as previously amended by the First Amendment dated May 30, 2003, the Second Amendment dated June 17, 2004, the Third Amendment dated July 29, 2005, and the Fourth Amendment dated October 17, 2006 (collectively the “MOA”).

**WITNESS THAT:**

**WHEREAS**, the City owns and operates Lambert-St. Louis International Airport® (“Airport”), located in the County of St. Louis, State of Missouri;

**WHEREAS**, the City and AA are parties to the MOA that provides for certain improvements to Concourses “B,” “C,” and “D” at the Airport;

**WHEREAS**, AA filed a petition under Chapter 11 of Title 11 of the United States Code on November 29, 2011, which case is pending in the United States Bankruptcy Court for the Southern District of New York in an administratively consolidated case entitled *In re AMR Corporation, et al.*, Chapter 11 Case No. 11-15463 (SHL) (“Bankruptcy Case”);

**WHEREAS**, as part of AA’s reorganization in the Bankruptcy Case, AA and the City negotiated a comprehensive resolution of all lease and debt issues between them as set forth in a Settlement Agreement that was approved by the court in the Bankruptcy Case on \_\_\_\_\_, 201\_\_ [cite to court order] (“Order”), and was executed by AA on \_\_\_\_\_, 201\_\_, and by the City on \_\_\_\_\_, 201\_\_ (“Settlement Agreement”); and

**WHEREAS**, as part of the Settlement Agreement, AA is obligated to pay to the City the MOA Cure Amount within 7 business days following the Effective Date, has granted and allowed the City the MOA Unsecured Claim (all as defined in the Settlement Agreement), and is obligated to assume the MOA as modified by this Fifth Amendment.

**NOW, THEREFORE**, for and in consideration of the promises, and of the mutual covenants and agreements herein contained, and other valuable considerations, the City and AA agree that the MOA is amended as follows:

**SECTION 1:** The text of Section B.3 of the MOA is hereby amended by adding at the end the following:

“Notwithstanding the above, beginning on the Effective Date (as defined in the Settlement Agreement and which date is deemed to be \_\_\_\_\_) and through the maturity of the GARBs issued to finance the GARB Funded Projects, the applicable costs and expenses will be recovered from AA through a monthly “surcharge” based on one twelfth (1/12) of an amount equal to 40% of the annual amortization expenses, including related financing costs, for the AA Surcharged Projects, as shown in Exhibit A attached to the Fifth Amendment. For purposes of clarification, beginning on the Effective Date, the monthly surcharge (as modified by this paragraph) is \$18,069.06 (\$542,072.00/12 X .40). Payment of the surcharge (as modified by this paragraph) is to begin on the first day of the month following the Effective Date. It being understood that the first such payment also must include the pro-rata portion of any surcharge (as modified by this paragraph) due for the period beginning on the Effective Date and ending on the last day of the month in which the Effective Date falls.”

**SECTION 2:** Notwithstanding the provisions of Section B.3, the City and AA agree that consistent with the correspondence exchange between them dated July 13, 2010, July 26, 2010, and July 29, 2010, which letters are attached to this Fifth Amendment as Exhibit B, the City and AA will continue to interpret the provisions in Section B.4 so that if another airline operating at the Airport is assigned by the City to use an AA Surcharged Project, the surcharge will be reduced during the pendency of such use by a pro rata amount, which will be calculated based on the surcharge set forth in Section B.3, as modified by this Fifth Amendment; provided, however, that if the City takes back such AA Surcharged Project without AA's prior written consent, then the surcharge will be permanently reduced by a pro rata amount as described above.

**SECTION 3:** This Fifth Amendment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Fifth Amendment. The counterparts of this Fifth Amendment and any ancillary documents may be executed and delivered by facsimile or other electronic signature by the Parties to the other party hereto and the receiving party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

**SECTION 4:** Except as set forth in this Fifth Amendment, the MOA remains in full force and effect, and is hereby ratified. In the event of a conflict between this Fifth Amendment and the MOA, the provisions of this Fifth Amended shall control.

*[Reminder of the page intentionally left blank]*

IN WITNESS WHEREOF, and pursuant to the Settlement Agreement that was approved by Order \_\_\_\_\_, *In re AMR Corporation*, No. 11-15463 (Bankr. S.D.N.Y. 2012), the parties hereto for themselves, their successors and assigns, have executed this Amendment as of date first written above.

**THE CITY OF ST. LOUIS, MISSOURI:**

Pursuant to Ordinance \_\_\_\_\_, approved \_\_\_\_\_, 201\_\_.

**APPROVED BY:**

**APPROVED BY:**

\_\_\_\_\_  
Director of Airports Date

\_\_\_\_\_  
President Date  
Board of Public Service

This Fifth Amendment was authorized and approved by the City's Board of Public Service at its \_\_\_\_\_, 201\_\_ meeting.

By: \_\_\_\_\_  
Secretary Date

**APPROVED AS TO FORM BY:**

\_\_\_\_\_  
City Counselor Date

**COUNTERSIGNED BY:**

**ATTESTED TO BY:**

\_\_\_\_\_  
Comptroller Date  
City of St. Louis

\_\_\_\_\_  
Register Date  
City of St. Louis

AMERICAN AIRLINES, INC:

APPROVED BY:

\_\_\_\_\_  
Title: Date

**Exhibit A**

**AMORTIZATION SCHEDULE  
FOR  
AA SURCHARGE PROJECTS**

**(Beginning as of the Effective Date of the Settlement Agreement)**



EXHIBIT A  
AMORTIZATION SCHEDULE  
FOR AA SURCHARGE PROJECTS  
(Beginning as of the Effective Date of the Settlement Agreement)  
Lambert-St. Louis International Airport

	Total Project Cost	less: Project Cost Principal paid thru 3/31/12	plus: Financing Costs	less: April 2010 Adjustment	less: February 2012 Adjustment	less: April 2012 Adjustment	less: Oct. 15, 2012 Adjustment	Net Remaining Unamortized Project Cost	Funding Source	Applicable Interest Rate	Useful Life	Annual Amortization over remaining years	Date Placed in Service	Annual Amortization FY 2013
<i>American Airlines Projects:</i>														
New Loading Bridges for Cone, B, C & D														
Commuter Jet Bridges	5,116,329	(479,799)	521,886	(1,691,458)		(1,691,458)	(1,127,639)	647,840	02 Bonds	5.07%	30	47,558	11/15/2005	47,558
Jet Bridge Scope Correction and Upgrades	581,372	(54,520)	59,300	(142,372)			(71,166)	372,594	02 Bonds	5.07%	30	27,352	11/15/2005	27,352
Pre-conditioned Air (A)														
New Facilities on Concourses C & D														
Build Out of Former Commissary Area														
Renovate Concourse D Ops Space (Chateau)	131,497	(12,332)	13,413		(100,483)			32,095	02 Bonds	5.07%	30	2,356	11/15/2005	2,356
Closed Circuit Television	500,000	(46,889)	51,000					504,111	02 Bonds	5.07%	30	37,007	11/15/2005	37,007
Reconfigure Concourse C Operations Space (B)	3,739,204	(350,655)	391,399	(148,260)				3,621,698	02 Bonds	5.07%	30	265,866	11/15/2005	265,866
Airline Tenant Improvements														
Expand C16/C18 Holdroom	100,000	(10,128)	11,016	(29,754)			(29,754)	49,380	02 Bonds	5.07%	30	3,625	11/15/2005	3,625
Holdroom Upgrades	239,297	(22,441)	24,408			(43,960)	(26,371)	170,944	02 Bonds	5.07%	30	12,549	11/15/2005	12,549
Holdroom Millwork	304,000	(28,508)	31,008			(39,682)	(23,692)	242,926	02 Bonds	5.07%	30	17,833	11/15/2005	17,833
North ATD	390,610	(36,631)	39,842					393,821	02 Bonds	5.07%	30	28,910	11/15/2005	28,910
Baggage Conveyor Upgrades	1,337,762	(125,453)	130,452					1,348,761	02 Bonds	5.07%	30	99,013	11/15/2005	99,013
<b>Total--American Airlines Projects:</b>	<b>\$12,448,071</b>	<b>(\$1,167,354)</b>	<b>\$1,269,703</b>	<b>(\$2,011,835)</b>	<b>(\$100,483)</b>	<b>(\$1,775,290)</b>	<b>(\$1,278,642)</b>	<b>\$7,384,170</b>				<b>\$542,072</b>		<b>\$542,072</b>

Monthly \$45,172.64

Current Monthly Surcharge \$ 45,172.64 X 40% = \$ 18,069.06

**Exhibit B**

**Correspondence Exchange Between City and AA**



Rhonda Hamm-Niebruegge  
Director

## LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®

*City of St. Louis Airport Authority*

P. O. BOX 10212 • ST. LOUIS, MISSOURI 63145-0212 • U.S.A.  
TELEPHONE: (314) 426-8000 • WEBSITE: [www.flystl.com](http://www.flystl.com)



Francis G. Slay  
Mayor  
City of St. Louis

July 13, 2010

Mr. Michael Wesche  
Senior Principal  
American Airlines, Inc.  
Ground Operations Center  
Lambert-St. Louis International Airport  
P.O. Box 10007  
St. Louis, MO 63145

Re: Memorandum of Agreement for Improvement To Existing Terminal Facility Between The City of St. Louis ("City") and American Airlines Inc. ("AA") (Contract No. 44476), As Amended (the "MOA")

Dear Mike:

The purpose of this letter is to document our discussion on June 24, 2010, regarding the interpretation of Section B.4 of the MOA and the determination of the surcharge amount due the City under various circumstances.

It is my understanding that AA agrees with the City's interpretation of Section B.4 of the MOA that AA's obligation to make timely payments to the City in accordance with the amortization schedule is discontinued only during the period that the AA Surcharged Project or Improvements are being used by: 1) a party other than AA, or 2) were vacated by AA at the City's request or on behalf of the City. (Note: We are interpreting the words: "the City requests AA to vacate" or "vacated by AA on the City's behalf" within Section B.4 to mean without AA's concurrence.)

It is understood by the City and AA that if the City took back space, gates, and/or jet bridges from AA **with AA concurrence** and then leased the Improvement to a third party who subsequently stopped using the Improvements, AA would be obligated to make timely payments to the City in accordance with the amortization schedule. This is because the Improvements are no longer being used by a party other than AA and the City took back the space, gates, and/or jet bridges with AA concurrence.

However, if the City had taken back the space, gates, and/or jet bridges from AA **without AA concurrence** and then leased the Improvements to a party other than AA who subsequently stopped using the Improvements, AA would no longer be obligated to make timely payments to the City in accordance with the amortization schedule. Although the Improvements are no longer being used by another party, the City took back the space, gates, and/or jet bridges at the City's

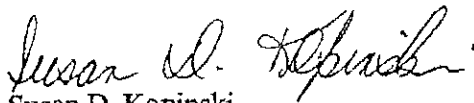
Mr. Michael Wesche  
July 8, 2010  
Page 2 of 2

request or on behalf of the City; that is without AA's concurrence. It being understood that if AA were to release the space, gates, and/or jet bridges, AA would be obligated to make timely payments to the City in accordance with the amortization schedule during the term of said lease agreement.

Please acknowledge, in writing, that you agree with the City's interpretation of Section B.4 of the MOA.

Call or e-mail me if you have any questions.

Sincerely,



Susan D. Kopinski  
Airport Deputy Director  
Finance & Administration

cc: Rhonda Hamm-Niebruegge  
Joseph R. Niemann  
✓ Mario A. Pandolfo  
Anthony Q. Drake

# American Airlines

July 26, 2010

Ms. Susan Kopinski  
Deputy Director Finance & Administration  
Lambert St. Louis International Airport  
P.O. Box 10212  
St. Louis, MO 63145-0212

Re: MOA between the City of St. Louis and American Airlines, Inc.

Dear Susan:

Thank you for your July 13, 2010 letter regarding the interpretation of certain language contained within the Memorandum of Agreement for Improvements to Existing Terminal Facility between the City of St. Louis ("City") and American Airlines, Inc. ("AA"), as amended. Subject to the further clarification outlined below, AA agrees with the City's interpretation as described in your letter.

Regarding space and/or improvements that are taken back by the City with AA's concurrence, AA's obligations to make timely payments to the City in accordance with the amortization schedule with respect to such space and/or improvements would cease during the period in which the City takes back such space and/or improvements for use by a third party. AA's obligation to re-commence timely payments to the City for such space and/or improvements would begin only after the third party ceases using the space and/or improvements.

AA believes there also needs to be an understanding that with respect to major pieces of equipment such as loading bridges and pre-conditioned air units that are taken back by the City with AA's concurrence, AA's obligations to re-commencing payments on such equipment as described above are subject to the equipment still remaining at the airport and in the same condition as existed when the third party commenced its use, normal wear and tear excepted. For example, if the City sells the equipment or if the equipment is destroyed or severely damaged during the period it is being used by a third party and has not been repaired back to its same condition, normal wear and tear excepted, then AA's obligations to re-commencing payments solely with respect to such equipment would not apply. In other words, if the equipment no longer exists physically or functionally at the airport, then AA does not have to re-commence paying for such equipment.

Please advise if the City concurs with this further clarification to the interpretation of the MOA language.

Sincerely,



Michael Wasche  
Senior Principal  
Corporate Real Estate

stlr208.doc

Rec'd  
7/27/10  
[Signature]



Rhonda Hamm-  
Niebruegge  
Director

**LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®**

*City of St. Louis Airport Authority*

P.O. BOX 10212 • ST. LOUIS, MISSOURI 63145-0212 • U.S.A.  
TELEPHONE: (314) 426-8000 • WEBSITE: [www.flystl.com](http://www.flystl.com)



Francis G. Slay  
Mayor  
City of St. Louis

July 29, 2010

Mr. Michael Wesche  
Senior Principal  
American Airlines, Inc.  
Ground Operations Center  
Lambert-St. Louis International Airport  
P.O. Box 10007  
St. Louis, MO 63145

RE: MOA Between the City of St. Louis and American Airlines, Inc.

Dear Mike:

I received your letter of July 26, 2010 where American Airlines agrees with the City's interpretation of space and/or improvements that could be taken back by the City with AA's concurrence.

In addition, the City agrees with American's interpretation of the agreement regarding major pieces of equipment that you have outlined in your July 26<sup>th</sup> letter. AA's understanding as to the treatment of major pieces of equipment that are damaged or sold is reasonable and consistent with the terms of the Memorandum of Agreement.

It is my belief that these questionable issues have been taken care of. Please call or e-mail me if you have additional questions.

Sincerely,

Susan D. Kopinski  
Airport Deputy Director  
Finance & Administration

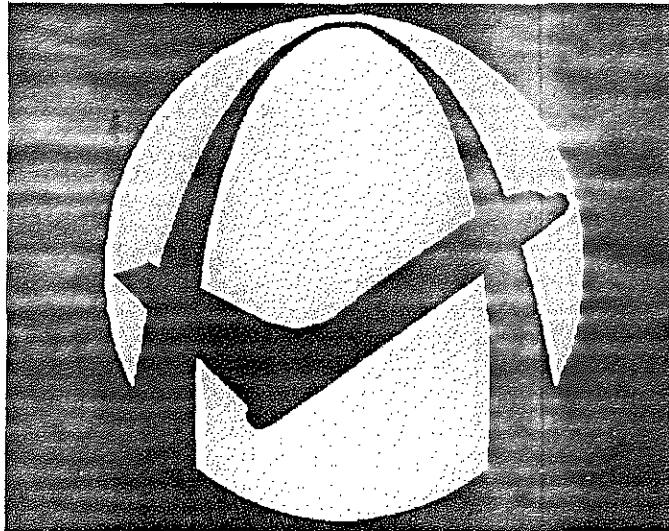
cc: R. Hamm-Niebruegge  
J. Niemann  
M. Pandolfo  
A. Drake

## **EXHIBIT C TO SETTLEMENT AGREEMENT**

**(SECOND AMENDMENT TO LEASE AGREEMENT AL-465)**



**LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®**



**AMERICAN AIRLINES, INC.**

**SECOND AMENDMENT TO LEASE AGREEMENT**

**NO. AL-465**



AIRPORT NUMBER AL-465

LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT  
SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT, made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 201\_\_, by and between The City of St. Louis, a municipal corporation of the State of Missouri ("City"), and American Airlines Inc., a corporation organized and existing under the laws of the State of Delaware ("Lessee"), is an amendment to Lease Agreement AL-465 dated March 15, 2010 (the "Agreement"), as previously amended by the First Amendment dated \_\_\_\_\_, 2012 (the "First Amendment").

WITNESSETH THAT:

WHEREAS, the City owns and operates Lambert-St. Louis International Airport<sup>®</sup> ("Airport");

WHEREAS, the City and Lessee are parties to the Agreement and the First Amendment;

WHEREAS, Lessee filed a petition under Chapter 11 of Title 11 of the United States Code on November 29, 2011, which case is pending in the United States Bankruptcy Court for the Southern District of New York in an administratively consolidated case entitled In re AMR Corporation, et al., Chapter 11 Case No. 11-15463 (SHL) ("Bankruptcy Case");

WHEREAS, as part of Lessee's reorganization in the Bankruptcy Case, Lessee and the City negotiated a comprehensive resolution of all lease and debt issues between them as set forth in a Settlement Agreement that was approved by the court in the Bankruptcy Case on \_\_\_\_\_, 201\_\_ [cite to court order], and was executed by Lessee on \_\_\_\_\_, 201\_\_, and by the City on \_\_\_\_\_, 201\_\_ ("Settlement Agreement"); and

WHEREAS, as part of the Settlement Agreement, Lessee agrees to assume the Agreement as modified by the First Amendment and this Second Amendment.

NOW, THEREFORE, for and in consideration of the promises, and of the mutual covenants and agreements herein contained, and other valuable considerations, the City and Lessee agree as follows:

1. Notwithstanding the provisions of Section 301 of the Agreement, as modified by Section 3 of the First Amendment, the term of the Agreement is hereby extended so that instead of expiring on March 31, 2013, it shall expire on June 30, 2016.
2. This Second Amendment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Second Amendment. The counterparts of this Second Amendment and any ancillary documents may be executed and delivered by facsimile or other electronic signature by the City or Lessee to the

other party hereto and the receiving party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

3. All other terms, covenants and conditions of the Agreement, as amended by the First Amendment, not inconsistent with this Second Amendment, are unchanged and hereby ratified and approved and shall remain in full force and effect.

*[Remainder of page intentionally left blank.]*

IN WITNESS WHEREOF, and pursuant to the Settlement Agreement that was approved by Order \_\_\_\_\_, *In re AMR Corporation*, No. 11-15463 (Bankr. S.D.N.Y. 2012), the parties hereto for themselves, their successors and assigns, have executed this Second Amendment the day and year first above written.

**THE CITY OF ST. LOUIS, MISSOURI:**

Authorized by City Ordinance \_\_\_\_\_, approved \_\_\_\_\_, 201\_\_.

The foregoing Second Amendment was approved by the Airport Commission at its meeting on the \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

\_\_\_\_\_  
Commission Chairman                      Date  
and Director of Airports

The Board of Estimate and Apportionment approved the foregoing Second Amendment in substance at its meeting on the \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

\_\_\_\_\_  
Secretary,                                      Date  
Board of Estimate & Apportionment

**APPROVED AS TO FORM ONLY BY:**

**COUNTERSIGNED BY:**

\_\_\_\_\_  
City Counselor                              Date  
City of St. Louis

\_\_\_\_\_  
Comptroller,                                      Date  
City of St. Louis

**ATTESTED TO BY:**

\_\_\_\_\_  
Register,                                      Date  
City of St. Louis

AMERICAN AIRLINES, INC.

BY: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_