

Exhibit "D"

**Letter Agreement on
Settlement Consideration
and Bankruptcy Protections
August 22, 2012**

American Airlines

August 22, 2012

James C. Little
International President
Transport Workers Union of America
501 3rd Street, NW 9th Floor
Washington, DC 20001

Subject: Settlement Consideration and Bankruptcy Protections

Dear Jim:

This Letter Agreement is between American Airlines, Inc. ("Company") and the Transport Workers Union of America, AFL-CIO ("TWU") and supersedes the June 28, 2012 and July 26, 2012 letters on the same subject. The modifications to the collective bargaining agreements between the Company and the TWU reached in connection with the Company's Chapter 11 Restructuring embodied in five agreements ratified on May 12, 2012 and two agreements ratified on August 8, 2012 (the "Ratified Agreements") were agreed to in furtherance of the Company's effort to restructure its capital structure and operations, and in consideration of the terms of the Ratified Agreements and this Letter Agreement. This Letter Agreement will be binding on any Chapter 11 trustee that may be appointed in the Company's present bankruptcy cases ("Cases"), *In re AMR Corporation, et al.*, Chapter 11 Case No. 11-15463(SHL), or other entity operating with the equivalent authority of a Chapter 11 trustee.

The Company and TWU agree as follows:

- 1. Settlement Consideration.** In consideration for, among other things, the concessions made during the chapter 11 process, including under the so-called "me too" provisions under the Ratified Agreements, and in connection with the Ratified Agreements, and subject to the approval of the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), the TWU will receive under a plan or plans of reorganization (a "Plan") of the Debtors, equity in the reorganized entity (the "TWU Settlement Consideration") equal to 4.8% of all such equity issued to the holders of allowed prepetition unsecured claims (including TWU) against the Debtors (including any equity issued with respect to other unions) (collectively the "Unsecured Claims"). On receipt of the TWU Settlement Consideration, and for other good and valuable consideration under the Ratified Agreements and this Letter Agreement, any and all claims, interests, causes or demands (including all pending grievances) (collectively, the "TWU Claims"), TWU has or might arguably have, on behalf of itself or the Company's employees represented by the TWU pursuant to the Railway Labor Act ("RLA") and the terms of the existing collective bargaining agreements (the "Existing CBAs") against the Debtors (or any of them) in the Cases, (including, without limitation, the Claims listed on Exhibit A), against the Debtors arising prior to the Effective Date (as defined herein) of this Letter Agreement shall be automatically fully, finally, and completely released,

expunged and extinguished. Notwithstanding the foregoing, (except for the claims listed on Exhibit A) the TWU Claims shall not include claims asserted in any proofs of claim actually filed in the Bankruptcy Cases by or on behalf of TWU represented employees (the "Excluded Claims"). The Excluded Claims shall be administered and resolved pursuant to the claims resolution process in the Bankruptcy Cases and the parties reserve all of their rights with respect to the Excluded Claims. The TWU Settlement Consideration will not be diluted by any subsequent events other than (1) equity consideration given to holders of interests in another entity in the event of a merger or consolidation as provided below; (2) an equity offering approved by the Bankruptcy Court in conjunction with confirmation of a Plan; (3) equity consideration granted to management in connection with incentive plans approved by the Bankruptcy Court; and (4) any post-emergence equity issuance.

Subject to the foregoing, in the event of a Plan for the Debtors that provides for the consolidation of the Debtors with a third party, the TWU Settlement Consideration shall be equal to 4.8% of the total consideration distributed with respect to the Unsecured Claims, and shall be issued contemporaneously with the consideration distributed under such Plan with respect to the other Unsecured Claims.

The TWU Settlement Consideration will confer upon TWU all statutory rights to vote on any Plan presented by the Company or any other entity. In the event that the TWU Settlement Consideration has not yet been actually issued, it will be estimated for voting purposes as if the TWU held allowed unsecured claims in an amount that would entitle it to the TWU Settlement Consideration. Neither the TWU Settlement Consideration nor any rights under this Letter Agreement may be assigned or transferred (including the granting of any participation) prior to the effective date of a Plan, except with the express written consent of the Company exercised in its sole discretion.

Debtors and TWU will discuss in good faith whether, and if so on what terms, a portion of the TWU Settlement Consideration shall be in the form of cash or debt (based on the value of the equity otherwise to be received).

2. Effective date. This Letter Agreement shall not become effective until all of the Ratified Agreements and this Letter Agreement are approved by an order(s) of the Bankruptcy Court (the "Effective Date") which order has not been stayed.

It is expressly understood and agreed that if all of the Ratified Agreements do not become effective, all of the terms contained in this Letter Agreement are inapplicable and will be of no force or effect. At such time as all of the Ratified Agreements become effective, but prior to the approval of any Plan in these cases, this Letter Agreement shall constitute a binding and enforceable post-petition agreement between TWU and the Company.

3. Administrative claim for fees and expenses. TWU shall have an allowed administrative expense claim as of the Effective Date in an amount sufficient to pay the actual reasonable fees and expenses (including attorneys and experts) incurred by TWU in connection with the negotiation and effectuation of the Debtors' motion under section 1113 of the Bankruptcy Code, of the Ratified Agreements, and of the Letter Agreement, not to exceed \$5 million. In addition, on the Effective Date, TWU shall have an allowed administrative expense claim in the amount of up to \$2 million for the reasonable fees and expenses of the TWU's investment banker (Gordian Group). The fees and expenses payable hereunder shall not include fees or expenses incurred in connection with the pursuit of any third party purchaser of the Debtors or a merger partner (including but not limited to US Airways).

4. Indemnification. The Company will indemnify and hold harmless TWU and its current and former (a) members, (b) officers, (c) directors, (d) committee members, (e) employees, (f) advisors, (g) attorneys, (h) accountants, (i) investment bankers, including, without limitation, Gordian Group, (j) consultants, (k) agents, (l) actuaries, (m) financial advisors, (n) professionals, (o) agents and (p) other representatives and their respective officers, agents, employees, counsel, and representatives (each of (a) through (p), an "Indemnitee") from fifty percent of any liability, loss, damages, fines, penalties, taxes, expenses, and costs (not including any income or excise taxes or similar amounts imposed by any governmental agency) relating to, concerning or resulting from any and all third party claims, lawsuits, or administrative charges of any sort whatsoever, including fifty percent of the reasonable attorney's fees and costs, arising in connection with matters relating to, concerning or connected to the negotiation or establishment of (a) the Ratified Agreements and this Letter Agreement, (b) any amendment of any benefit plan or program concerning the American Airline employees represented by the TWU or other participants in such plan made pursuant to or as a result of the Ratified Agreements and this Letter Agreement, and (c) any other document or agreement forming part of the Ratified Agreements and this Letter Agreement. This fifty-percent sharing arrangement will exist until TWU's financial exposure reaches \$5 million. Any exposure exceeding \$5 million will be the responsibility of the Company.

Such indemnification and hold harmless obligation will not apply to: 1) any claim, lawsuit or administrative charge resulting from the willful or intentional conduct of any Indemnitee; 2) any claim, lawsuit or administrative charge asserting that TWU violated its By-Laws or other organizational requirements by entering into the Ratified Agreements and this Letter Agreement; 3) any claim, lawsuit or administrative charge resulting from any statement made by any Indemnitee that incorrectly describes the Ratified Agreements or this Letter Agreement or the modifications made thereby; 4) any claim, lawsuit or administrative charge related to allocation among American Airlines employees represented by TWU of any claim or any proceeds or distribution received in connection with the TWU Settlement Consideration or 5) any claim, lawsuit or administrative charge related to any disposition by TWU or American Airlines employees represented by TWU to third parties of the TWU Settlement Consideration or any proceeds or distribution received in connection therewith.

An Indemnitee seeking to be indemnified and held harmless pursuant to this paragraph must provide to the Company written notice within seven business days of the Indemnitee learning in writing of the claim, lawsuit or administrative charge as to which the Indemnitee seeks to be indemnified and held harmless. The Company will have the right to conduct the defense of such matter with counsel of the Company's choosing and enter into a settlement of such matter. If the Company elects to conduct such defense, it shall notify the Indemnitee as soon as practicable. The Company will give reasonable consideration to the wishes of the Indemnitee in connection with the matters described in the foregoing sentence.

5. Exculpation. The Debtors agree that they will not propose or support any plan of reorganization that does not contain an exculpation or release provision for TWU and each of its current or former members, officers, directors, committee members, employees, advisors, attorneys, accountants, actuaries, investment bankers, consultants, agents and other representatives at least as favorable as any exculpation or release provisions provided for the Company's officers, directors, employees, advisors, attorneys, accountants, actuaries, investment bankers, consultants, agents and other representatives.

6. Bankruptcy protection. From the date of this Letter Agreement until a date [three years] from the date of this Letter, the Debtors and their successors will not file or support any motion ("Motion") pursuant to sections 1113, 1113(e), or any other relevant provision of title 11, United

States Code (the "Bankruptcy Code"), seeking rejection or modification of, or relief or interim relief from, the Ratified Agreements or this Letter Agreement and the finalized documents implementing the Ratified Agreements or this Letter Agreement. The Debtors will actively oppose any such Motion if filed by another party.

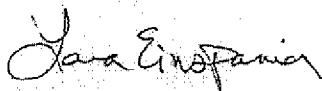
Notwithstanding the foregoing, the Debtors and their successors reserve the right to file or support any Motion if there is a material deterioration in the Company's financial condition or financial prospects, whether because of general economic conditions or otherwise. All requirements and provisions of section 1113 will also remain applicable to any such Motion. TWU reserves its right to object to such Motion and nothing in this Letter Agreement shall be construed as an agreement by the TWU to such modifications or relief.

7. Bankruptcy Court approval. With the full and active support of TWU, the Company will file and prosecute motion(s) for approval and assumption of all of the Ratified Agreements and this Letter Agreement under sections 363 and 105 of the Bankruptcy Code and any other applicable sections thereof and Federal Rule of Bankruptcy Procedure 9019. Both the motion(s) and the proposed order(s) attached thereto (the "363 Order") shall be in form and substance reasonably acceptable to TWU. Both the Company and TWU will use their reasonable best efforts to obtain the support of the Official Committee of Unsecured Creditors and other parties and stakeholders for the Ratified Agreements, including this Letter Agreement, and to seek entry of the 363 Order.

8. Issuance of equity. Subject to the foregoing, TWU agrees not to object to or contest the issuance of equity or other consideration in the Bankruptcy Cases to the Company's non-union and management employees, in respect of the sacrifices made by them in furtherance of the Company's effort to restructure or as incentive for the non-union and management employees' future service to the Company.

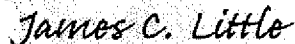
9. Damages. Other than the TWU Settlement Consideration, the TWU shall not have any claims as a result of the Company's requests for relief under section 1113 of the Bankruptcy Code or the parties' entry into the Ratified Agreements or this Letter Agreement.

Sincerely,



Laura A. Einspanier
Vice President - Employee Relations

Agreed:



James C. Little
International President
Transport Workers Union of America

FINAL EXHIBIT A

TWU Claim	Date	Amount
Grievance: #66114 Case: M-253-12	2/6/07	\$120,000.00
Grievance: #66120 Case: M-256-12	1/12/12	\$120,000.00
Grievance: #66121 Case: M-257-12	1/18/12	\$171,000.00

TWU Claim	Date	Amount
Grievance: #1009-050 Case: M-2214-10	9/15/12	\$32,845,360.00
Grievance: #1010-145 Case: M-2061-10	9/1/10	\$81,900,000.00 – <i>Surviving Excluded Claim of \$81,818.00</i>

TWU Claim	Date	Amount
Grievance: #11843 Case: M-196-11	1/3/11	\$1,320,000.00
Grievance: #140587 Case: M-296-11	1/10/11	\$500,000.00
Grievance: #300237-3 Case: M-1838-11	9/21/11	\$300,000,000.00
Grievance: #300237-5 Case: 29d -1	2/3/12	\$20,000,000.00

TWU Claim	Date	Amount
Underfunded Pension		\$1,707,000,000.00
29(d) Grievances		\$16,400,000.00
Prepetition Fleet & Prepetition Dispatch TA		\$44,500,000.00

Exhibit "E"

**Letters of Memorandum on
Certain Additional Provisions**

LETTER OF MEMORANDUM – 14- “Me Too”

DOS

**Mr. Robert F. Gless
Deputy Director - ATD
AA System Coordinator
Transport Workers Union of America, AFL-CIO
1791 Hurstview Drive
Hurst, TX 76054**

“Me, too provision”

Dear Robert,

During the negotiations that led to the signing of the Agreement between American Airlines, Inc. (“AA” or “the Company”) and the Transport Workers Union of America, AFL-CIO (“TWU”) covering Maintenance and Related Agreement, the Company and the TWU agreed to the following, effective upon ratification.

1) Notwithstanding any provision to the contrary in this Restructuring Agreement (“Agreement”), it is the intent of this agreement that the Company will continue to seek approval to implement, through binding agreement, and/or implemented by legal unilateral authority, revisions to (i) the labor contracts of the Company’s other non-TWU unionized employees and (ii) the wages, benefits and working conditions of the Company’s non-union hourly employees and (iii) the wages, benefits and working conditions of the non-union salaried and management employees so that the aggregate revisions in (i),(ii) and (iii) for each individual non-TWU union and non-union employee group are reasonably projected by the Company to produce the targets for labor cost savings specified in the Company’s Section 1113(c) motion.

2) The Company agrees that if the Company fails to implement the changes described in paragraph 1 for any other non-TWU union or non-union employee group, without implementing other changes that are reasonably projected by the Company to achieve equivalent labor cost savings, the Company will meet with TWU to discuss and agree upon a proportionate reduction in projected labor cost savings under the Agreement. This paragraph shall expire upon the earlier of 1) six (6) months after the date the Company emerges from the bankruptcy process; or 2) when the changes described in paragraph 1, or other changes that are reasonably projected by the Company to achieve equivalent labor cost savings, are implemented for all non-TWU union or non-union employee groups.

3) The Company further agrees that if it obtains modifications to agreements with other non-TWU union groups that result in labor cost savings to the Company from reduction in TWU represented employees working under TWU agreements, it will meet with TWU to discuss and agree upon an appropriate credit to the TWU based on the level of labor cost savings realized by the Company from that reduction.

4) The Company will provide TWU with sufficient relevant information reasonably necessary for TWU to determine compliance with the terms of this agreement.

5) Any alleged violation of these provisions will be resolved pursuant to the grievance and arbitration procedures of the applicable TWU Agreement.

If this letter accurately reflects the agreement of the parties, please indicate by signing below.

Sincerely,
{Original Signed on file}

James B. Weel
Director
Employee Relations

Agreed to:
{Original Signed on file}

Robert F. Gless
Deputy Director - ATD
AA System Coordinator
Transport Workers Union of America, AFL-CIO

LETTER OF MEMORANDUM – - “Me Too”

DOS

**Mr. Robert F. Gless
Deputy Director - ATD
AA System Coordinator
Transport Workers Union of America, AFL-CIO
1791 Hurstview Drive
Hurst, TX 76054**

“Me, too provision”

Dear Robert,

During the negotiations that led to the signing of the Agreement between American Airlines, Inc. (“AA” or “the Company”) and the Transport Workers Union of America, AFL-CIO (“TWU”) covering the Stores Agreement, the Company and the TWU agreed to the following, effective upon ratification:

1) Notwithstanding any provision to the contrary in this Restructuring Agreement (“Agreement”), it is the intent of this agreement that the Company will continue to seek approval to implement, through binding agreement, and/or implemented by legal unilateral authority, revisions to (i) the labor contracts of the Company’s other non-TWU unionized employees and (ii) the wages, benefits and working conditions of the Company’s non-union hourly employees and (iii) the wages, benefits and working conditions of the non-union salaried and management employees so that the aggregate revisions in (i),(ii) and (iii) for each individual non-TWU union and non-union employee group are reasonably projected by the Company to produce the targets for labor cost savings specified in the Company’s Section 1113(c) motion.

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