

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11 Case No.
	:	
AMR CORPORATION, et al.,	:	11-15463 (SHL)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**STIPULATION AND AGREED ORDER
BETWEEN DEBTORS AND THE PORT AUTHORITY
OF NEW YORK AND NEW JERSEY WITH RESPECT TO (A) REVISED
CURE AMOUNTS WITH RESPECT TO CERTAIN ASSUMED AGREEMENTS
AND (B) ALLOWANCE OF A CERTAIN PROOF OF CLAIM IN REVISED AMOUNT**

This stipulation and agreed order (“**Stipulation**”) is entered into between and among AMR Corporation and its related debtors, as debtors and debtors in possession (collectively, the “**Debtors**”) and the Port Authority of New York and New Jersey (the “**Port Authority**,” and together with the Debtors, the “**Parties**”).

RECITALS:

A. On November 29, 2011 (the “**Commencement Date**”), each of the Debtors commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors have continued to operate their business and their properties as debtors in possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code.

B. 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.

C. On July 13, 2012, the Port Authority filed proofs of claim numbered 8542 and 8543 in the amounts of \$1,496,610.34 and \$57,841.05, respectively, relating to, among other things, amounts alleged to be due to the Port Authority under certain expired and other agreements.

D. On July 18, 2012, the Court entered the Stipulation and Agreed Order between Debtors and the Port Authority of New York and New Jersey on the Cure Amount with Respect to Fourteenth Omnibus Motion of Debtors For Entry of Order Pursuant to 11 U.S.C. § 365, Fed. R. Bankr. P. 6006, and LBR 6006-1, Authorizing Assumption of Certain Unexpired Leases of Nonresidential Real Property (the “**July 18th Stipulation**”) (ECF No. 3621). Pursuant to the July 18th Stipulation, the Parties agreed to \$7,633,208.47 as the amount due and owing to the Port Authority in connection with the Debtors’ assumption of eleven agreements at John F. Kennedy International Airport and LaGuardia International Airport between the Debtors and the Port Authority (the “**JFK/LGA Agreements**”) pursuant to section 365 of the Bankruptcy Code (the “**JFK/LGA Cure Amount**”).

E. On January 23, 2013, the Court entered the Order (I) Pursuant to 11 U.S.C. § 365(a) Authorizing Assumption of Amended Lease Agreement with the Port Authority of New York and New Jersey and Rejection of Slot Lease Agreements with United Air Lines, Inc. and Porter Airlines Inc. and (II) Pursuant to 11 U.S.C. § 363(b) Approving Entry into Slot Lease Agreement with Virgin America, Inc. (the “**EWR Lease Assumption Order**”) (ECF No. 6312). Pursuant to the EWR Lease Assumption Order, the Parties agreed that no amounts were due and owing to the Port Authority in connection with the Debtors’ assumption of Port Authority Lease No. ANA-172, dated as of October 1, 1984, between American Airlines, Inc. and the Port

Authority (the “**EWR Lease**”) pursuant to section 365 of the Bankruptcy Code (the “**EWR Cure Amount**”, and together with the JFK/LGA Cure Amount, the “**Cure Amounts**”).

F. Subsequent to the July 18th Stipulation and EWR Lease Assumption Order, the Parties completed an audit of the following charges pursuant to the JFK/LGA Agreements and EWR Lease: (i) certain fees assessed by the Port Authority; (ii) unpaid balances related to utilities; and (iii) airport security fees (the “**Audit**”).

G. Based on the results of the Audit, the Parties have agreed to (i) modify the Cure Amounts and (ii) settle the allowed amount under proof of claim number 8542 filed by the Port Authority.

AND NOW, THEREFORE, the Parties stipulate and agree as follows:

1. The Cure Amounts for the JFK/LGA Agreements and EWR Lease shall be increased by \$160,947.07 (the “**Additional Cure Amount**”). Of this amount, \$154,609.24 relates to the JFK/LGA Agreements and \$6,337.83 relates to the EWR Lease.
2. The Debtors shall pay the Additional Cure Amount to the Port Authority within 14 calendar days after the entry by the Court of this Stipulation, or such other later time as may be agreed to in writing by the Parties.
3. The Debtors shall not be required to make further payment in connection with any default under the JFK/LGA Agreements or EWR Lease in excess of the Additional Cure Amount.
4. Proof of claim number 8542 filed by the Port Authority on July 13, 2012 in the amount of \$1,496,610.34 shall be deemed reduced and allowed in the amount of \$350,296.29 as set forth on **Exhibit “A”** annexed hereto.

5. The claims agent in the Debtors' chapter 11 cases is authorized to adjust the claims register in accordance with this Stipulation.

6. This Stipulation may not be modified, amended, or vacated other than by a signed writing executed by the Parties.

7. Each person who executes this Stipulation on behalf of a party hereto represents that he or she is duly authorized to execute this Stipulation on behalf of such party.

8. This Stipulation shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without giving effect to the principles of conflict of laws thereof.

9. This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Evidence of execution of this Stipulation may be exchanged by facsimile or by electronic transmission of a scanned copy of the signature pages or by exchange of an originally signed document, each of which shall be as fully binding on the party as a signed original.

10. The Parties irrevocably and unconditionally agree that the Court shall retain exclusive jurisdiction to interpret, implement, and enforce the provisions of this Stipulation.

Dated: June 27, 2013
New York, New York

By: /s/ Margaret Taylor Finucane
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Attorneys for Debtors
and Debtors in Possession

APPROVED AND SO ORDERED
this 27th day of June, 2013

BY THE COURT :

/s/ Sean H. Lane
Sean H. Lane
United States Bankruptcy Judge