

AMERICAN AIRLINES INC

Form 424B2

July 01, 2009

Table of Contents**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to Be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
Class A Pass Through Trust Certificates, Series 2009-1A	\$520,110,000	\$29,023

(1) The registration fee of \$29,023 is calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended (the Securities Act). Pursuant to Rule 457(p) under the Securities Act, registration fees of \$302,116 were paid in connection with the Automatic Shelf Registration Statement on Form S-3 (Registration Nos. 333-136563, 333-136563-01) filed by AMR Corporation and American Airlines, Inc. on August 11, 2006. The \$29,023 of the registration fees associated with this offering are hereby offset against these prepaid registration fees. Following this offering, a total of \$207,471 will still remain available for offset against future registration fees that would otherwise be payable under such Automatic Shelf Registration Statement.

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-136563
333-136563-01

PROSPECTUS SUPPLEMENT
(To Prospectus Dated August 11, 2006)

\$520,110,000

2009-1A Pass Through Trust
Pass Through Certificates, Series 2009-1A

American Airlines, Inc. is creating a pass through trust that will issue American Airlines, Inc. Class A Pass Through Certificates, Series 2009-1. The Class A Certificates are being offered pursuant to this prospectus supplement.

The Class A Certificates will represent interests in the assets of the related pass through trust. The proceeds from the sale of the Class A Certificates will, or will initially be held in escrow and will thereafter, be used by such pass through trust to acquire the related series of equipment notes to be issued by American on a full recourse basis. Payments on the equipment notes held in such pass through trust will be passed through to the holders of the Class A Certificates. Distributions on the Class A Certificates will be subject to certain subordination provisions described herein. The Class A Certificates do not represent interests in or obligations of American or any of its affiliates.

As described herein, American may in the future create a separate pass through trust that will issue American Airlines, Inc. Class B Pass Through Certificates, Series 2009-1. Subject to the distribution provisions described herein, the Class A Certificates generally will rank senior to any Class B Certificates that may be issued in the future.

The equipment notes expected to be held by the pass through trust for the Class A Certificates and, if applicable, the pass through trust for any Class B Certificates will be issued for each of four Boeing 777-223ER aircraft delivered new to American from 1999 to 2000 and 16 new Boeing 737-823 aircraft scheduled for delivery during the period between July 2009 and October 2010. The equipment notes issued for each aircraft will be secured by a security interest in such aircraft. With respect to the Class A Certificates, interest on the related equipment notes will be

payable semiannually on January 2 and July 2 of each year, commencing on January 2, 2010, and principal on such equipment notes is scheduled for payment on January 2 and July 2 of certain years, commencing on January 2, 2010.

Natixis S.A., acting via its New York Branch, will provide a liquidity facility for the Class A Certificates in an amount sufficient to make three semiannual interest distributions on the outstanding balance of the Class A Certificates.

The Class A Certificates will not be listed on any national securities exchange.

Investing in the Class A Certificates involves risks. See Risk Factors beginning on page S-19.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Pass Through Certificates	Aggregate Face Amount	Interest Rate	Final Expected Distribution Date	Price to Public(1)
Class A	\$ 520,110,000	10.375%	July 2, 2019	100%

(1) Plus accrued interest, if any, from the date of issuance.

The underwriters will purchase all of the Class A Certificates if any are purchased. The aggregate proceeds from the sale of the Class A Certificates will be \$520,110,000. American will pay the underwriters a commission of \$7,801,650. Delivery of the Class A Certificates in book-entry form will be made on or about July 7, 2009 against payment in immediately available funds.

Joint Structuring Agents & Joint Bookrunners

Goldman, Sachs & Co.

MORGAN STANLEY

Co-Lead Manager

Calyon Securities

The date of this prospectus supplement is June 29, 2009.

Table of Contents

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, any related free writing prospectus issued by us (which we refer to as a *company free writing prospectus*) and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus or to which we have referred you. We have not, and Morgan Stanley and Goldman, Sachs & Co. have not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement, the accompanying prospectus and any related company free writing prospectus do not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this prospectus supplement, the accompanying prospectus and any related company free writing prospectus in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer or solicitation of an offer in such jurisdiction. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus and any related company free writing prospectus or any document incorporated by reference is accurate as of any date other than the date on the front cover of the applicable document. Neither the delivery of this prospectus supplement, the accompanying prospectus and any related company free writing prospectus nor any distribution of securities pursuant to this prospectus supplement and the accompanying prospectus shall, under any circumstances, create any implication that there has been no change in our business, financial condition, results of operations or prospects, or in the affairs of the Class A Trust, the Depository or the Class A Liquidity Provider, since the date of this prospectus supplement.

TABLE OF CONTENTS
Prospectus Supplement

	Page
<u>PRESENTATION OF INFORMATION</u>	iv
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	iv
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-1
<u>Summary of Terms of Class A Certificates</u>	S-1
<u>Equipment Notes and the Aircraft</u>	S-3
<u>Loan to Aircraft Value Ratios</u>	S-5
<u>Cash Flow Structure</u>	S-7
<u>The Offering</u>	S-8
<u>Summary Historical Consolidated Financial and Operating Data</u>	S-17
<u>RISK FACTORS</u>	S-19
<u>Risk Factors Relating to the Company</u>	S-19
<u>Risk Factors Relating to the Class A Certificates and the Offering</u>	S-28
<u>USE OF PROCEEDS</u>	S-33
<u>THE COMPANY</u>	S-34
<u>DESCRIPTION OF THE CERTIFICATES</u>	S-35
<u>General</u>	S-35
<u>Payments and Distributions</u>	S-37
<u>Subordination</u>	S-40
<u>Pool Factors</u>	S-40
<u>Reports to Class A Certificateholders</u>	S-42
<u>Indenture Events of Default and Certain Rights Upon an Indenture Event of Default</u>	S-43
<u>Certificate Buyout Right of Class B Certificateholders</u>	S-44
<u>PTC Event of Default</u>	S-45
<u>Merger, Consolidation and Transfer of Assets</u>	S-46
<u>Modification of the Class A Pass Through Trust Agreement and Certain Other Agreements</u>	S-46
<u>Obligation to Purchase Series A Equipment Notes</u>	S-51
<u>Termination of the Class A Trust</u>	S-53

<u>The Class A Trustee</u>	S-53
<u>Book-Entry Registration; Delivery and Form</u>	S-54
<u>DESCRIPTION OF THE DEPOSIT AGREEMENT</u>	S-58
<u>General</u>	S-58

Table of Contents

	Page
<u>Withdrawal of Deposits to Purchase Series A Equipment Notes</u>	S-58
<u>Other Withdrawals and Return of Deposits</u>	S-58
<u>Replacement of Depositary</u>	S-59
<u>Limitation on Damages</u>	S-60
<u>Depositary</u>	S-60
<u>DESCRIPTION OF THE ESCROW AGREEMENT</u>	S-61
<u>General</u>	S-61
<u>Certain Modifications of the Escrow Agreement and Note Purchase Agreement</u>	S-62
<u>The Escrow Agent</u>	S-62
<u>The Paying Agent</u>	S-63
<u>DESCRIPTION OF THE CLASS A LIQUIDITY FACILITY</u>	S-64
<u>General</u>	S-64
<u>Drawings</u>	S-64
<u>Replacement of Liquidity Facility</u>	S-65
<u>Reimbursement of Drawings</u>	S-67
<u>Liquidity Events of Default</u>	S-69
<u>Class A Liquidity Provider</u>	S-69
<u>DESCRIPTION OF THE INTERCREDITOR AGREEMENT</u>	S-70
<u>Intercreditor Rights</u>	S-70
<u>Post Default Appraisals</u>	S-73
<u>Priority of Distributions</u>	S-73
<u>Voting of Equipment Notes</u>	S-77
<u>List of Certificateholders</u>	S-77
<u>Reports</u>	S-77
<u>The Subordination Agent</u>	S-78
<u>DESCRIPTION OF THE AIRCRAFT AND THE APPRAISALS</u>	S-79
<u>The Aircraft</u>	S-79
<u>The Appraisals</u>	S-79
<u>Deliveries of New Aircraft</u>	S-81
<u>Substitute Aircraft</u>	S-82
<u>DESCRIPTION OF THE EQUIPMENT NOTES</u>	S-83
<u>General</u>	S-83
<u>Subordination</u>	S-83
<u>Principal and Interest Payments</u>	S-85
<u>Redemption</u>	S-85
<u>Security</u>	S-87
<u>Loan to Value Ratios of Series A Equipment Notes</u>	S-87
<u>Limitation of Liability</u>	S-88
<u>Indenture Events of Default, Notice and Waiver</u>	S-88
<u>Remedies</u>	S-89
<u>Modification of Indentures</u>	S-90
<u>Indemnification</u>	S-92
<u>Certain Provisions of the Indentures</u>	S-92
<u>POSSIBLE ISSUANCE OF CLASS B CERTIFICATES AND REFINANCING OF CLASS B CERTIFICATES</u>	S-98
<u>Issuance of Class B Certificates</u>	S-98
<u>Refinancing of Class B Certificates</u>	S-98

<u>Additional Liquidity Facilities</u>	S-99
<u>CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES</u>	S-100
<u>Tax Status of the Class A Trust</u>	S-100
<u>Taxation of Certificate Owners</u>	S-101
<u>Certain U.S. Federal Income Tax Consequences to Non-U.S. Certificateholders</u>	S-102
<u>Information Reporting and Backup Withholding</u>	S-103
<u>CERTAIN DELAWARE TAXES</u>	S-105
<u>CERTAIN ERISA CONSIDERATIONS</u>	S-106
<u>General</u>	S-106
<u>Plan Assets Issues</u>	S-106
<u>Prohibited Transaction Exemptions</u>	S-107
<u>Special Considerations Applicable to Insurance Company General Accounts</u>	S-107
<u>UNDERWRITING</u>	S-108
<u>Selling Restrictions</u>	S-109
<u>VALIDITY OF THE CLASS A CERTIFICATES</u>	S-112
<u>EXPERTS</u>	S-112
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-112
<u>Index of Defined Terms</u>	Appendix I
<u>Appraisal Letters</u>	Appendix II
	Appendix
<u>Summary of Certain Appraised Values</u>	III
	Appendix
<u>Loan to Value Ratios of Series A Equipment Notes</u>	IV

Table of Contents

Prospectus

	Page
ABOUT THIS PROSPECTUS	1
WHERE YOU CAN FIND MORE INFORMATION	2
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	3
THE COMPANY	4
RATIO OF EARNINGS TO FIXED CHARGES	5
FORMATION OF THE TRUSTS	6
USE OF PROCEEDS	6
DESCRIPTION OF THE PASS THROUGH CERTIFICATES	7
General	8
Delayed Purchase of Equipment Notes	10
DESCRIPTION OF THE EQUIPMENT NOTES	11
General	11
Additional Notes	12
CREDIT ENHANCEMENTS	12
Ranking; Cross-Subordination	12
Credit Support Agreements	13
Guarantee of AMR	13
LEGAL OPINIONS	13
EXPERTS	14

Table of Contents

PRESENTATION OF INFORMATION

These offering materials consist of two documents: (a) this prospectus supplement, which describes the terms of the Class A Certificates that we are currently offering, and (b) the accompanying prospectus, which provides general information about us and our pass through certificates, some of which may not apply to the Class A Certificates that we are currently offering. The information in this prospectus supplement replaces any inconsistent information included in the accompanying prospectus. To the extent the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference in this prospectus supplement. See *About this Prospectus* in the accompanying prospectus.

In this prospectus supplement, references to *American*, the *Company*, *we*, *us* and *our* refer to American Airlines Inc. and references to *AMR* refer to our parent, AMR Corporation.

We have given certain capitalized terms specific meanings for purposes of this prospectus supplement. The *Index of Defined Terms* attached as Appendix I to this prospectus supplement lists the page in this prospectus supplement on which we have defined each such term.

At varying places in this prospectus supplement, we refer you to other sections for additional information by indicating the caption heading of such other sections. The page on which each principal caption included in this prospectus supplement can be found is listed in the foregoing Table of Contents. All such cross-references in this prospectus supplement are to captions contained in this prospectus supplement and not the accompanying prospectus, unless otherwise stated.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus, any related company free writing prospectus and the documents incorporated by reference herein and therein contain various *forward-looking statements* within the meaning of Section 27A of the Securities Act of 1933, as amended (the *Securities Act*), and Section 21E of the Securities Exchange Act of 1934, as amended (the *Exchange Act*), which represent our expectations or beliefs concerning future events. When used in this prospectus supplement, the accompanying prospectus, any related company free writing prospectus and in documents incorporated herein and therein by reference, the words *expects*, *plans*, *anticipates*, *indicates*, *believes*, *forecast*, *guidance*, *outlook*, *may*, *will*, *should*, *seeks*, *to* expressions are intended to identify forward-looking statements. Similarly, statements that describe our objectives, plans or goals are forward-looking statements. Forward-looking statements include, without limitation, our expectations concerning operations and financial conditions, including changes in capacity, revenues, and costs; future financing plans and needs; the amounts of our unencumbered assets and other sources of liquidity; fleet plans; overall economic and industry conditions; plans and objectives for future operations; regulatory approvals and actions, including our application for antitrust immunity with other **oneworld** alliance members; and the impact on us of our results of operations in recent years and the sufficiency of our financial resources to absorb that impact. Other forward-looking statements include statements which do not relate solely to historical facts, such as, without limitation, statements which discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. All forward-looking statements in this prospectus supplement, the accompanying prospectus, any related company free writing prospectus and the documents incorporated by reference herein and therein are based upon information available to us on the date of this prospectus supplement or such document. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. Guidance given in this prospectus supplement, the accompanying prospectus, any

Table of Contents

related company free writing prospectus and the documents incorporated by reference herein and therein regarding capacity, fuel consumption, fuel prices, fuel hedging and unit costs, and statements regarding expectations of regulatory approval of our application for antitrust immunity with other **oneworld** members, are forward-looking statements.

Forward-looking statements are subject to a number of factors that could cause our actual results to differ materially from our expectations. The following factors, in addition to those discussed under the caption **Risk Factors** in this prospectus supplement and other possible factors not listed, could cause our actual results to differ materially from those expressed in forward-looking statements: our materially weakened financial condition, resulting from our significant losses in recent years; weaker demand for air travel and lower investment asset returns resulting from the severe global economic downturn; our need to raise substantial additional funds and our ability to do so on acceptable terms; our ability to generate additional revenues and reduce our costs; continued high and volatile fuel prices and further increases in the price of fuel, and the availability of fuel; our substantial indebtedness and other obligations; our ability to satisfy existing financial or other covenants in certain of our credit agreements; changes in economic and other conditions beyond our control, and the volatile results of our operations; the fiercely and increasingly competitive business environment we face; potential industry consolidation and alliance changes; competition with reorganized carriers; low fare levels by historical standards and our reduced pricing power; changes in our corporate or business strategy; government regulation of our business; conflicts overseas or terrorist attacks; uncertainties with respect to our international operations; outbreaks of a disease (such as SARS, avian flu or the H1N1 virus) that affects travel behavior; labor costs that are higher than those of our competitors; uncertainties with respect to our relationships with unionized and other employee work groups; increased insurance costs and potential reductions of available insurance coverage; our ability to retain key management personnel; potential failures or disruptions of our computer, communications or other technology systems; losses and adverse publicity resulting from any accident involving our aircraft; changes in the price of AMR's common stock; and our ability to reach acceptable agreements with third parties. Additional information concerning these and other factors is contained in our and AMR's filings with the Securities and Exchange Commission (the "*SEC*"), including but not limited to our and AMR's Quarterly Reports on Form 10-Q for the quarter ended March 31, 2009 and our and AMR's Annual Reports on Form 10-K for the year ended December 31, 2008 (and, in the case of AMR, as updated by AMR's Current Report on Form 8-K filed on April 21, 2009).

Table of Contents**PROSPECTUS SUPPLEMENT SUMMARY**

This summary highlights basic information about us and this offering. Because it is a summary, it does not contain all of the information that you should consider before investing. You should read this entire prospectus supplement, the accompanying prospectus and any related company free writing prospectus carefully, including the section entitled "Risk Factors" in this prospectus supplement, as well as the materials filed with the SEC that are considered to be a part of this prospectus supplement, the accompanying prospectus and any related company free writing prospectus before making an investment decision. See "Where You Can Find More Information" in this prospectus supplement.

Summary of Terms of Class A Certificates

Aggregate Face Amount	\$ 520,110,000
Interest Rate	10.375%
Ratings:	
Moody's	Baa3
Standard & Poor's	A-
Initial loan to Aircraft value ratio (cumulative) ⁽¹⁾⁽²⁾	48.7%
Expected maximum loan to Aircraft value ratio (cumulative) ⁽²⁾	48.7%
Expected Principal Distribution Window (in years from Issuance Date)	0.5-10.0
Initial Average Life (in years from Issuance Date)	7.3
Regular Distribution Dates	January 2 and July 2
Final expected Regular Distribution Date ⁽³⁾	July 2, 2019
Final Legal Distribution Date ⁽⁴⁾	January 2, 2021
Minimum Denomination ⁽⁵⁾	\$2,000
Section 1110 Protection	Yes
Liquidity Facility Coverage	3 semiannual interest payments

(1) These percentages are calculated assuming that each of the four Boeing 777-223ER aircraft and the 16 new Boeing 737-823 aircraft listed under Equipment Notes and the Aircraft in this prospectus supplement summary of the 59 new Boeing

737-823 aircraft from which American may choose have been subjected to an Indenture and that the Class A Trust has purchased the related Series A Equipment Notes for each such aircraft as of January 2, 2011 (the first Regular Distribution Date that occurs after all aircraft eligible to be financed pursuant to this offering are scheduled currently to have been delivered). In calculating these percentages, we have assumed that the aggregate appraised value of all such aircraft is \$ 1,045,703,892 as of such date. The appraisal value is only an estimate and reflects certain assumptions. See Description of the Aircraft and the Appraisals The Appraisals.

(2) See Loan to Aircraft Value

Ratios in this prospectus supplement summary for the method and assumptions we used in calculating the loan to Aircraft value ratios and a discussion of certain ways that such loan to Aircraft value ratios could change.

- (3) Series A Equipment Notes will mature on the final expected Regular Distribution Date for the Class A Certificates.

- (4) The Final Legal Distribution Date for the Class A Certificates is the date which is 18 months from the final expected Regular Distribution Date for the Class A Certificates, which represents the period corresponding to the Class A Liquidity Facility coverage of three

semiannual
interest
payments.

S-1

Table of Contents

- (5) The Class A Certificates will be issued in minimum denominations of \$2,000 (or such other denomination that is the lowest integral multiple of \$1,000 that is, at the time of issuance, equal to at least 1,000 euros) and integral multiples of \$1,000 in excess thereof.

S-2

Table of Contents**Equipment Notes and the Aircraft**

The Class A Trust is expected to hold Series A Equipment Notes issued for, and secured by, each of (i) four Boeing 777-223ER aircraft delivered new to American from 1999 to 2000 (each, an *Owned Aircraft*) and (ii) 16 new Boeing 737-823 aircraft (each such aircraft, or any Substitute Aircraft financed in lieu of such aircraft as described under Description of the Aircraft and the Appraisals Substitute Aircraft, a *New Aircraft*) from a pool of 59 new Boeing 737-823 aircraft currently scheduled for delivery during the period between July 2009 and October 2010 pursuant to an aircraft purchase agreement between The Boeing Company (*Boeing*) and American and any aircraft substituted for any of such aircraft in accordance with such aircraft purchase agreement prior to the delivery thereof (each such aircraft, an *Eligible Aircraft*). Each Owned Aircraft is being, and each New Aircraft will be, operated by American. See Description of the Aircraft and the Appraisals for a description of each Owned Aircraft and Eligible Aircraft. Set forth below is certain information about the Series A Equipment Notes expected to be held in the Class A Trust and each of the four Owned Aircraft and 16 New Aircraft (each such aircraft, an *Aircraft*) expected to secure the Series A Equipment Notes.

If Class B Certificates are issued, the Class B Trust will hold Series B Equipment Notes issued for, and secured by, the same Aircraft that secure the Series A Equipment Notes. See Possible Issuance of Class B Certificates and Refinancing of Class B Certificates.

Aircraft Type	Actual or Expected Registration Number	Actual or Expected Manufacturer's Serial Number	Actual or Scheduled Month of Delivery⁽¹⁾	Initial Principal Amount of Series A Equipment Notes	Appraised Value⁽²⁾
Boeing 737-823	N800NN	29564	July 2009	\$ 22,902,000	\$ 48,440,000
Boeing 737-823	N803NN	29566	August 2009	22,902,000	48,510,000
Boeing 737-823	N804NN	29567	August 2009	22,902,000	48,510,000
Boeing 737-823	N806NN	29561	September 2009	22,902,000	48,590,000
Boeing 737-823	N807NN	31077	September 2009	22,902,000	48,590,000
Boeing 737-823	N812NN	33520	October 2009	22,902,000	48,670,000
Boeing 737-823	N811NN	31079	October 2009	22,902,000	48,670,000
Boeing 737-823	N813NN	30918	November 2009	22,902,000	48,750,000
Boeing 737-823	N817NN	29558	December 2009	22,902,000	48,830,000
Boeing 737-823	N821NN	30912	January 2010	22,902,000	48,910,000
Boeing 737-823	N824NN	30916	February 2010	22,902,000	48,990,000
Boeing 737-823	N825NN	31087	February 2010	22,902,000	48,990,000
Boeing 737-823	N826NN	31089	February 2010	22,902,000	48,990,000
Boeing 737-823	N827NN	33209	March 2010	22,902,000	49,070,000
Boeing 737-823	N828NN	33210	March 2010	22,902,000	49,070,000
Boeing 737-823	N829NN	31091	March 2010	22,902,000	49,070,000
Boeing 777-223ER	N771AN	29579	January 1999	36,941,000	75,390,000
Boeing 777-223ER	N773AN	29583	March 1999	37,862,000	77,270,000
Boeing 777-223ER	N780AN	29956	September 1999	38,504,000	78,580,000
Boeing 777-223ER	N795AN	30257	December 2000	40,371,000	82,390,000
Total				\$ 520,110,000	\$ 1,094,280,000

(1)

The delivery deadline for purposes of financing a New Aircraft pursuant to this offering is October 31, 2010 (or later under certain circumstances). The actual delivery date of any New Aircraft may differ from its currently scheduled delivery month and may be subject to delay or acceleration. See Description of the Aircraft and the Appraisals Deliveries of New Aircraft. In addition, American has certain rights to finance a Substitute Aircraft in lieu of any New Aircraft if the delivery of such New Aircraft is delayed for more than 30 days after the last day of the month scheduled for delivery or beyond October 31, 2010. See Description of the Aircraft and the Appraisals

Substitute
Aircraft.

S-3

Table of Contents

(2) The appraised value of each aircraft set forth above is the lesser of the average and median appraised value of such aircraft as appraised by three independent appraisal and consulting firms. In the case of the Owned Aircraft, such appraisals indicate appraised base value, adjusted for the maintenance status of such Aircraft at or around the time of such appraisals, and in the case of each New Aircraft, such appraisals indicate appraised base value projected as of its currently scheduled delivery month. The appraisers based their appraisals on varying assumptions (which may not reflect current market conditions) and

methodologies.
See Description
of the Aircraft
and the
Appraisals The
Appraisals. An
appraisal is only
an estimate of
value and you
should not rely
on any appraisal
as a measure of
realizable value.
See Risk
Factors Risk
Factors Relating
to the Class A
Certificates and
the Offering
Appraisals
should not be
relied upon as a
measure of
realizable value
of the Aircraft.

Table of Contents**Loan to Aircraft Value Ratios**

The following table provides loan to Aircraft value ratios (*LTVs*) for the Class A Certificates assuming that each of the four Owned Aircraft and 16 New Aircraft have been subjected to an Indenture and that the Class A Trust has purchased the related Series A Equipment Notes for each such Aircraft as of January 2, 2011 (the first Regular Distribution Date that occurs after all Aircraft eligible to be financed in this offering are scheduled currently to have been delivered) and each Regular Distribution Date thereafter. See Use of Proceeds. The *LTVs* for any period prior to January 2, 2011 are not meaningful, since during such period all of the Series A Equipment Notes expected to be acquired by the Class A Trust and the related Aircraft will not be included in the calculation. The table is not a forecast or prediction of expected or likely *LTVs*, but simply a mathematical calculation based upon one set of assumptions. See Risk Factors Risk Factors Relating to the Class A Certificates and the Offering Appraisals should not be relied upon as a measure of realizable value of the Aircraft.

We compiled the following table on an aggregate basis. However, the Series A Equipment Notes issued under an Indenture are entitled only to certain specified cross-collateralization provisions as described under Description of the Equipment Notes Security. The relevant *LTVs* in a default situation for the Series A Equipment Notes issued under a particular Indenture would depend on various factors, including the extent to which the debtor or trustee in bankruptcy agrees to perform American's obligations under the Indentures. Therefore, the following aggregate *LTVs* are presented for illustrative purposes only and should not be interpreted as indicating the degree of cross-collateralization available to the holders of the Class A Certificates.

Regular Distribution Date	Aggregate Assumed Aircraft Value⁽¹⁾	Pool Balance⁽²⁾	LTV⁽³⁾
January 2, 2011	\$1,045,703,892	\$509,460,811	48.7%
July 2, 2011	1,027,308,506	488,184,099	47.5
January 2, 2012	1,008,913,120	466,901,262	46.3
July 2, 2012	990,517,735	445,618,425	45.0
January 2, 2013	972,122,349	424,335,588	43.7
July 2, 2013	953,726,963	407,780,627	42.8
January 2, 2014	935,331,577	391,225,666	41.8
July 2, 2014	915,821,884	374,127,815	40.9
January 2, 2015	895,750,906	356,756,505	39.8
July 2, 2015	875,679,928	339,385,196	38.8
January 2, 2016	855,608,950	322,013,886	37.6
July 2, 2016	834,985,019	304,373,178	36.5
January 2, 2017	814,361,087	286,732,470	35.2
July 2, 2017	793,737,156	269,091,761	33.9
January 2, 2018	773,113,225	251,451,053	32.5
July 2, 2018	752,489,294	233,810,345	31.1
January 2, 2019	731,865,362	216,169,636	29.5
July 2, 2019	710,127,125	0	0.0

(1) In calculating the aggregate Assumed Aircraft Value, we assumed that the appraised value of each Aircraft

determined as described under Description of the Aircraft and the Appraisals declines in accordance with the Depreciation Assumption described under

Description of the Equipment Notes Loan to Value Ratios of Series A Equipment Notes. Other rates or methods of depreciation could result in materially different LTVs.

We cannot assure you that the depreciation rate and method assumed for purposes of the above table are the ones most likely to occur or predict the actual future value of any Aircraft. See

Risk Factors Risk Factors Relating to the Class A Certificates and the Offering Appraisals should not be relied upon as a measure of realizable value of the Aircraft.

- (2) The pool balance with respect to the Class A Certificates indicates, as of any date, after giving effect to

any principal
distributions
expected to be
made on such
date, the portion
of the original
face amount of the
Class A
Certificates that
has not been
distributed to
Class A
Certificateholders
and assumes that
each of the four
Owned Aircraft
and 16 New
Aircraft have been
subjected to an
Indenture and that
the Class A Trust
has purchased the
Series A
Equipment Notes
for each such
Aircraft as of

S-5

Table of Contents

the first Regular Distribution Date that occurs after all Aircraft eligible to be financed in this offering are scheduled currently to have been delivered.

- (3) We obtained the LTVs for each Regular Distribution Date by dividing (i) the expected outstanding pool balance after giving effect to the principal distributions expected to be made on such date, by (ii) the aggregate Assumed Aircraft Value of the Aircraft on such date based on the assumptions described above. For purposes of these calculations, it has been assumed that the four Boeing 777-223ER aircraft and the 16 Boeing 737-823 aircraft listed under Equipment Notes and the

Aircraft in this prospectus supplement summary are financed hereunder. The outstanding pool balances and LTVs will change if any Series A Equipment Notes are redeemed or purchased, if a default in payment of principal on any Series A Equipment Notes occurs, if any such aircraft is not subjected to an Indenture and the related Series A Equipment Notes are not acquired by the Class A Trust or if any of such 16 Boeing 737-823 aircraft is subjected to an Indenture other than in the delivery month currently scheduled therefor as described under Description of the Aircraft and the Appraisals. The LTVs may also change if the Class A Trust acquires the Series A Equipment Notes with

respect to
Eligible Aircraft
other than the
16 Boeing
737-823 aircraft
listed under
Equipment
Notes and the
Aircraft in this
prospectus
supplement
summary.

S-6

Table of Contents

Cash Flow Structure

This diagram illustrates the structure for the offering of the Class A Certificates and certain cash flows.

- (1) American will issue Series A Equipment Notes and may issue Series B Equipment Notes in respect of each Aircraft. The Equipment Notes (including, if issued, the Series B Equipment Notes) with respect to each Aircraft will be issued under a separate Indenture.

- (2) The Class A Liquidity Facility is expected to cover up to three semiannual interest distributions on the Class A Certificates except that the Class A Liquidity Facility will not cover interest on Deposits. There may be a liquidity facility for any Class B Certificates that may be issued in the future. The holders of the Class A Certificates will receive payments of all amounts owing to them before the

provider of any such liquidity facility for the Class B Certificates receives any funds.

- (3) The proceeds from the sale of the Class A Certificates will, in part, be used to acquire the Series A Equipment Notes issued with respect to the Owned Aircraft. The balance of such proceeds will initially be held in escrow and deposited with the Depositary, pending the financing of each New Aircraft under the related Indenture. The Depositary will hold such funds as interest-bearing Deposits. The Class A Trust will withdraw funds from the Deposits to purchase from American the Series A Equipment Notes from time to time as each New Aircraft is subjected to an Indenture. The Scheduled Payments of interest on the Series A Equipment Notes

and on the Deposits, taken together, will be sufficient to pay accrued interest on the outstanding Class A Certificates.

Under certain circumstances, funds in Deposits will be withdrawn prior to the Delivery Period Termination Date and distributed to the holders of Class A Certificates, together with accrued and unpaid interest thereon, but without any premium. See

Description of the Deposit Agreement Other Withdrawals and Return of Deposits. If any funds remain as Deposits as of the Delivery Period Termination Date, such remaining funds will be withdrawn by the Escrow Agent and distributed by the Paying Agent, with accrued and unpaid interest on such remaining funds, but without any premium, to the holders of the Class A Certificates or, under certain circumstances,

such remaining funds will be automatically returned by the Depositary to the Paying Agent on the Outside Termination Date, and the Paying Agent will distribute such funds to the Class A Certificateholders as promptly as practicable thereafter. See Description of the Deposit Agreement Other Withdrawals and Return of Deposits. No interest will accrue with respect to the Deposits after they have been fully withdrawn. The Class A Liquidity Facility will not cover interest on the Deposits.

S-7

Table of Contents

The Offering

Class A Trust and Class A Certificates	The Class A Trust will be formed pursuant to a trust supplement entered into between American and U.S. Bank Trust National Association to a basic pass through trust agreement between American and U.S. Bank Trust National Association (as successor trustee to State Street Bank and Trust Company of Connecticut, National Association), as Class A Trustee under the Class A Trust. The Class A Certificates will represent fractional undivided interests in the Class A Trust.
Certificates Offered	Class A Certificates.
Use of Proceeds	<p>The proceeds from the sale of the Class A Certificates will, in part, be used to acquire the Series A Equipment Notes issued with respect to the Owned Aircraft. The balance of such proceeds will initially be held in escrow and deposited with the Depositary, pending the financing of each New Aircraft under the related Indenture. The Class A Trust will withdraw funds from such escrow to acquire from American the Series A Equipment Notes to be issued as these New Aircraft are subjected to the related Indentures.</p> <p>The Series A Equipment Notes will be full recourse obligations of American. American will use the proceeds from the issuance of the Series A Equipment Notes issued with respect to any New Aircraft to finance, in part, the acquisition of such New Aircraft. American will use the proceeds from the issuance of the Series A Equipment Notes issued with respect to the Owned Aircraft for general corporate purposes.</p>
Subordination Agent, Class A Trustee, Paying Agent and Loan Trustee	U.S. Bank Trust National Association.
Escrow Agent	U.S. Bank National Association in respect of the Class A Certificates.
Depositary	The Bank of New York Mellon for the Class A Certificates.
Class A Liquidity Provider	Initially, Natixis S.A., acting via its New York Branch, for the Class A Certificates.
Class A Trust Property	<p>The property of the Class A Trust will include:</p> <p>subject to the Intercreditor Agreement, the Series A Equipment Notes acquired by the Class A Trust prior to the Delivery Period Termination Date, all monies at any time paid thereon and the right to all monies due and to become due thereunder;</p> <p>the rights of the Class A Trust to acquire the Series A Equipment Notes related to the New Aircraft under the Note Purchase Agreement;</p>

the rights of the Class A Trust under the Escrow Agreement to request the Escrow Agent to withdraw from the Depositary funds sufficient to enable the Class A Trust to purchase the Series A Equipment Notes upon the financing of a New Aircraft under the

S-8

Table of Contents

related Indenture prior to the Delivery Period Termination Date;

the rights of the Class A Trust under the Intercreditor Agreement (including all monies receivable in respect of such rights);

all monies receivable under the Class A Liquidity Facility; and

funds from time to time deposited with the Class A Trustee in accounts relating to the Class A Trust.

Possible Issuance of Class B
Certificates

Under certain circumstances, Class B Certificates may be issued in the future. The Class B Certificates will represent fractional undivided interests in the Class B Trust to be formed at