

HEARING DATE AND TIME: April 10, 2012 at 2:00 p.m. (Eastern Time)
OBJECTION DEADLINE: April 3, 2012 at 4:00 p.m. (Eastern Time)

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Attorneys for Debtors
and Debtors in Possession

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

-----X	:	
In re	:	Chapter 11
	:	
AMR CORPORATION, et al.,	:	Case No. 11-15463 (SHL)
	:	
Debtors.	:	(Jointly Administered)
	:	
-----X		

**NOTICE OF HEARING ON MOTION OF DEBTORS FOR ENTRY OF ORDER
PURSUANT TO 11 U.S.C. § 1113 AUTHORIZING DEBTORS TO REJECT
COLLECTIVE BARGAINING AGREEMENTS**

* admitted pro hac vice
** pro hac vice admission pending

PLEASE TAKE NOTICE that a hearing on the annexed motion, dated March 27, 2012 (the “**Motion**”), will be held before the Honorable Sean H. Lane, United States Bankruptcy Judge, in Room 701 of the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”), One Bowling Green, New York, New York 10004, on April 10, 2012, at 2:00 p.m. (Eastern Time), or as soon thereafter as counsel may be heard.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Motion (the “**Objections**”) must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, and shall be filed with the Bankruptcy Court (a) by registered users of the Bankruptcy Court’s case filing system, electronically in accordance with General Order M-399 (which can be found at <http://nysb.uscourts.gov>) and (b) by all other parties in interest, on a 3.5 inch disk, in text-searchable portable document format (PDF) (with a hard copy delivered directly to Chambers), in accordance with the customary practices of the Bankruptcy Court and General Order M-399, to the extent applicable, and served in accordance with General Order M-399 and on: (i) the attorneys for the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Stephen Karotkin, Esq.), and Paul Hastings LLP, 875 15th Street, N.W., Washington, DC 20005 (Attn: John J. Gallagher, Esq.); (ii) the Debtors, c/o AMR Corporation, 4333 Amon Carter Boulevard, MD 5675, Fort Worth, Texas 76155 (Attn: Kathryn Kooreny, Esq.); (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Brian Masumoto, Esq.); (iv) the attorneys for the statutory committee of unsecured creditors, Skadden, Arps, Slate, Meagher & Flom LLP, 155 North Wacker Drive, Chicago, Illinois 60606 (Attn: John Wm. Butler, Jr., Esq.) and Four Times Square, New York, New York 10036 (Attn: Jay M. Goffman, Esq.); and (v) all

entities that requested notice in these chapter 11 cases under Fed. R. Bankr. P. 2002 so as to be received no later than April 3, 2012, at 4:00 p.m. (Eastern Time) (the “**Objection Deadline**”).

PLEASE TAKE FURTHER NOTICE that if no Objections are timely filed and served with respect to the Motion, the Debtors may, on or after the Objection Deadline, submit to the Bankruptcy Court an order substantially in the form of the proposed order filed with the Motion, which order may be entered with no further notice or opportunity to be heard.

Dated: New York, New York
March 27, 2012

/s/ Stephen Karotkin

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

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In re	:	Chapter 11
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AMR CORPORATION, et al.,	:	Case No. 11-15463 (SHL)
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Debtors.	:	(Jointly Administered)
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**MOTION OF DEBTORS FOR ENTRY OF ORDER PURSUANT TO 11 U.S.C. § 1113
AUTHORIZING DEBTORS TO REJECT
COLLECTIVE BARGAINING AGREEMENTS**

* admitted pro hac vice
** pro hac vice admission pending

TO THE HONORABLE JUDGE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE:

AMR Corporation and its related debtors, as debtors and debtors in possession (collectively, the “**Debtors**”), respectfully submit this motion (the “**Motion**”) for entry of an order pursuant to section 1113 of chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) authorizing them to reject nine separate collective bargaining agreements (the “**CBAs**”). In support hereof, the Debtors respectfully represent as follows:

BACKGROUND
General

1. On November 29, 2011 (the “**Commencement Date**”), each of the Debtors commenced a voluntary case under the Bankruptcy Code. 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. No trustee or examiner has been appointed in these chapter 11 cases.

2. On December 5, 2011, the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) appointed the Official Committee of Unsecured Creditors.

Overview of American Airlines

3. American Airlines, Inc. (“**American**”) is the principal subsidiary of AMR Corporation and was founded in 1934. American is a premier U.S. airline and as of November 1, 2011, American maintained a fleet of over 600 jet aircraft and operated approximately 1,800 scheduled daily departures to approximately 160 destinations throughout North America, the Caribbean, Latin America, Europe, and Asia. American has approximately 65,000 active employees, 70% of whom are represented by one of three labor unions under nine separate CBAs.

4. Further information regarding the Debtors' business, capital structure, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the Affidavit of Isabella D. Goren Pursuant to Rule 1007-2 of the Local Bankruptcy Rules of the Southern District of New York, sworn to on November 29, 2011 (ECF No. 4).

JURISDICTION

5. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

RELIEF REQUESTED

6. Pursuant to section 1113(c) of the Bankruptcy Code, the Debtors are seeking entry of an order authorizing them to reject the CBAs between the Debtors and the Allied Pilots Association, the Association of Professional Flight Attendants, and the Transport Workers Union of America, AFL-CIO (collectively, the "Unions").

ACCOMPANYING MEMORANDUM OF LAW

7. The Debtors have contemporaneously filed the Memorandum of Law in support of the Motion, which sets forth the ample authority that exists for the relief requested in this Motion. The Memorandum of Law is divided into five parts: Part One sets forth the principal support of the Motion, Part Two addresses the CBA between the Debtors and the Allied Pilots Association, Part Three addresses the CBA between the Debtors and the Association of Professional Flight Attendants, Part Four addresses the CBAs between the Debtors and the Transport Workers Union in connection with Fleet Service Employees, Dispatch, Ground School and Simulator Instructors, and Simulator Technicians, and Part Five addresses the CBAs between the Debtors and the Transport Workers Union in connection with Mechanics and Related Employees, Stock Clerks and Maintenance Control Technicians. The Motion and the

Memorandum of Law are also supported by various Exhibits and Declarations filed in connection therewith.

NOTICE

8. Notice of this Motion has been provided to the Unions and parties in interest in accordance with the Order Pursuant to 11 U.S.C. §§ 105(a) and (d) and Bankruptcy Rules 1015(c), 2002(m), and 9007 Implementing Certain Notice and Case Management Procedures, dated December 23, 2011 (ECF No. 453). In view of the facts and circumstances, such notice is sufficient and no other or further notice need be provided.

[The Remainder of This Page Has Been Intentionally Left Blank]

9. No previous request for the relief sought herein has been made by the Debtors to this or any other Court.

WHEREFORE, the Debtors respectfully request entry of an Order authorizing the Debtors to reject the CBAs with the Unions and granting such other and further relief as is just.

Dated: New York, New York
March 27, 2012

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**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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**ORDER PURSUANT TO 11 U.S.C. § 1113 AUTHORIZING DEBTORS TO
REJECT COLLECTIVE BARGAINING AGREEMENTS**

Upon the motion, dated March 27, 2012 (the “**Motion**”),¹ of AMR Corporation and its related debtors, as debtors and debtors in possession (collectively, the “**Debtors**”), pursuant to section 1113 of title 11 of the United States Code (the “**Bankruptcy Code**”), for an order authorizing the Debtors to reject the collective bargaining agreements (the “**CBAs**”) between the Debtors and the Allied Pilots Association, the Association of Professional Flight Attendants, and the Transport Workers Union of America, AFL-CIO, all as more fully described in the Motion and the accompanying Memorandum of Law; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding the Court can determine pursuant to 28 U.S.C. § 157(b); and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion and all other filings and submissions related to the Motion; and the Court having held an evidentiary hearing related to the Motion, at which testimony was taken;

¹ Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

and upon all of the filings, submissions, exhibits, and proceedings made to and had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that pursuant to section 1113(c) of the Bankruptcy Code, the Debtors are authorized to reject the CBAs; and it is further

ORDERED that the Debtors are authorized to implement and perform under the terms of the proposals under section 1113 of the Bankruptcy Code, as more fully described in the Motion, and to take any and all actions that may be reasonably necessary or appropriate to effectuate the same and perform all obligations contemplated under such proposals; and it is further

ORDERED that nothing in this Order shall constitute, or be deemed to constitute, an assumption under section 365 or any other section of the Bankruptcy Code, or a postpetition re-affirmation, of the CBAs or any other agreement; and it is further

ORDERED that nothing in this Order shall alter the order or priority of any claim under the Bankruptcy Code or shall convert any prepetition or unsecured claim into a priority claim, secured claim, postpetition claim, or administrative expense; and it is further

ORDERED that the effect of this Order shall survive the conversion, dismissal, and/or closing of these chapter 11 cases, the appointment of a trustee herein, the confirmation of a plan of reorganization, and/or the substantive consolidation of these chapter 11 cases with any other case or cases; and it is further

ORDERED that this Order shall be binding on any subsequent chapter 11 or chapter 7 trustee that may be appointed or elected in these chapter 11 cases or any succeeding chapter 7 case; and is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
[_____], 2012

United States Bankruptcy Judge