

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of earliest event
reported: January 16, 2007

AMR CORPORATION
(Exact name of registrant as specified in its charter)

Delaware 1-8400 75-1825172
(State of Incorporation)(Commission File Number)(IRS Employer
Identification No.)

4333 Amon Carter Blvd. Fort Worth, Texas 76155
(Address of principal executive offices) (Zip Code)

(817) 963-1234
(Registrant's telephone number)

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

On January 16, 2007, the Compensation Committee (the "Compensation Committee") of the Board of Directors of AMR Corporation (the "Corporation") approved the 2007 Annual Incentive Plan (the "AIP") for American Airlines, Inc. ("American"). All U.S. based employees of American are eligible to participate in the AIP (including the Corporation's executive officers). The AIP is American's annual bonus plan and provides for the payment of awards in the event certain financial and/or customer service metrics are satisfied, as further described in the AIP. A copy of the AIP is attached as Exhibit 99.1.

Item 1.01 Entry into a Material Definitive Agreement

On January 16, 2007, the Compensation Committee approved the amendment and restatement of the following compensation programs for officers (including the Corporation's executive officers) and certain key employees of American:

- a. The 2005-2007 Performance Share Plan for Officers and Key Employees, and the related 2005-2007 Performance Share Agreements (collectively, the "2005-2007 Performance Share Plan"); and
- b. The 2005 Deferred Share Award Agreements (the "2005 Deferred Share Agreements").

The amendment and restatement of the 2005-2007 Performance Share Plan will result in a distribution of cash and stock upon the attainment of the performance criteria outlined therein. The anticipated distribution date is April 2008.

The amendment and restatement of the 2005 Deferred Share Agreements will result in a distribution of stock upon the recipient being employed by a wholly owned subsidiary of the Corporation on the vesting date. The anticipated distribution date is July 2008.

The Compensation Committee also made certain grants to the executive officers of the Corporation under the 2005-2007 Performance Share Plan and the 2005 Deferred Share Agreements. These grants replaced unit grants under earlier plans.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit 99.1 2007 Annual Incentive Plan for American

Exhibit 99.2 2005-2007 Performance Share Plan for Officers and Key Employees, as Amended and Restated as of January 16, 2007

Exhibit 99.3 Form of 2005-2007 Performance Share Agreement, as Amended and Restated as of January 16, 2007 (with awards to executive officers noted)

Exhibit 99.4 Form of 2005 Deferred Share Award Agreement, as Amended and Restated as of January 16, 2007 (with awards to executive officers noted)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMR CORPORATION

/s/ Kenneth W. Wimberly
Kenneth W. Wimberly
Corporate Secretary

Dated: January 17, 2007

EXHIBIT INDEX

Exhibit	Description
99.1	2007 Annual Incentive Plan for American
99.2	2005-2007 Performance Share Plan for Officers and Key Employees, as Amended and Restated as of January 16, 2007
99.3	Form of 2005-2007 Performance Share Agreement, as Amended and Restated as of January 16, 2007 (with

awards to executive officers noted)

99.4 Form of 2005 Deferred Share Award Agreement, as Amended and Restated as of January 16, 2007 (with awards to executive officers noted)

AMERICAN AIRLINES
2007 ANNUAL INCENTIVE PLAN

Background

As part of the restructuring process that took place in April 2003, three new broad-based variable compensation plans were created: the Broad Based Employee Stock Option Plan, a new Profit Sharing Plan and the Annual Incentive Plan (the "Plan" or "AIP").

The framework for the Plan was developed during the restructuring, but the specific plan metrics were left to the discretion of the Board of Directors (sometimes referred to as the "Board").

The Board has determined that for 2007 there will be two components to the Plan - customer service and financial. While related, the two components will be treated separately. The financial component will provide an award if the company meets annual financial goals. The customer service component will provide an award if the company meets customer satisfaction and dependability goals, regardless of its financial performance. Providing the opportunity for a customer service payout without meeting financial hurdles recognizes that the company's performance in the two areas most important to our customers - dependability and customer satisfaction - will contribute to improved profitability.

These broad-based compensation plans have been designed to allow all employees throughout the American Airlines team to share in the company's success. The Plan provides the opportunity to share immediately in that success by taking concrete steps in each employee's everyday work that will move the company towards profitability.

With input from our employees, the unions and the Board, these broad-based variable compensation programs will continue to evolve. Today, they form the building blocks necessary to ensure that everyone is able to share in the company's success.

Definitions

Capitalized terms not otherwise defined in the Plan will have the meanings set forth in the 2003 Employee Stock Incentive Plan (the "2003 Stock Plan").

"AMR" is defined as AMR Corporation.

"Affiliate" is defined as a subsidiary of AMR or any entity that is designated by the Committee as a participating employer under the Plan, provided that AMR directly or indirectly owns at least 20% of the combined voting power of all classes of stock of such entity.

"American" is defined as AMR less AMR subsidiaries other than American Airlines, Inc. and its subsidiaries.

"American Airlines" is defined as American Airlines, Inc.

"American's Pre-Tax Earnings Margin" is a percentage and is defined as American's earnings, relative to its revenues, before any applicable income tax expense and is exclusive of any profit sharing payments, payments under the Plan and any special, extraordinary or one-time items as may be determined by the Committee in its discretion, after consultation with AMR's independent auditors.

"Committee" is defined as the Compensation Committee of the AMR Board of Directors.

"Competitor" is defined as one of AirTran Airways, Alaska Airlines, Continental Airlines, Delta Air Lines, JetBlue Airways, Northwest Airlines, Southwest Airlines, United Air Lines and US Airways. During the Plan year, the Committee

delegates to the Incentive Compensation Committee the authority to modify the universe of companies that comprise the definition of "Competitor".

"Disabled", "Disability" or variants thereof will have the meaning as defined in section 409(a)(2)(C) of the Internal Revenue Code of 1986, as amended (the "Code").

"DOT Rank" is defined as American's relative rank with respect to the Competitors in the category of "arrivals+14 (A+14)" as determined by the U.S. Department of Transportation (DOT). This monthly ranking is based on DOT's aggregated A+14 data for the period January 1, 2007 through December 31, 2007 inclusive. To the extent that at any point during the year a Competitor ceases to report A+14 data, it will be excluded from the calculation for the month in which it ceases to report A+14 data, and for future months, until it begins to report A+14 data for a full month.

"Eligible Earnings" is defined by the nature of the work group. For employees who are represented by a union, the definition of Eligible Earnings will be the definition contained in the Letter of Agreement between the union and the company. For employees who are not represented by a union the definition of Eligible Earnings will be identical to the term "Qualified Earnings" under the 2003 American Airlines Employee Profit Sharing Plan.

"Fund" is defined as the fund, if any, accumulated in accordance with this Plan.

"Letters of Agreement" is defined as the agreements reached with the Allied Pilots Association, Association of Professional Flight Attendants and the Transport Workers Union during the April 2003 restructuring process that define the framework of the Plan.

"Measure" is defined, as appropriate, as American's Pre-Tax Earnings Margin, DOT Rank or Survey America Rank.

"Named Executive Officers" is defined as the officers of American who are named in the AMR proxy statement that reports income for the year in which awards under the Plan are earned.

"Other Cash Compensation Programs" is defined as cash payments to management employees that are not predicated upon the criteria and thresholds contained in the Plan. Per discussions and as specified in the Letters of Agreement, this term does not include salary, stock-based compensation, severance, retirement benefits or deferred payments of base compensation, or eligible cash bonuses from prior years.

"Profit Sharing Plan" is defined as the 2007 Employee Profit Sharing Plan.

"Survey America Rank" is defined as American's relative rank with respect to its Competitors in the category of "Overall Travel Experience", using a blended ranking of first class and coach cabin, as reported in Plog Inc.'s Survey America. The Survey America ranking is based on monthly data for American and the Competitors for the period January 1, 2007 through December 31, 2007, inclusive. To the extent that at any point during such year a Competitor ceases to participate, it will be excluded from the calculation for the month in which it ceased to participate, and for future months, until it begins to participate again for a full month period.

"Target Award" is defined as the award (stated as a percentage of Eligible Earnings) for an eligible participant when target level is achieved on the financial measure. The Target Award is determined by the employee's job level.

Plan Measures

As outlined earlier, the Plan is comprised of two components: customer service and financial.

Customer Service Component

The customer service component of the Plan will include two performance metrics - customer satisfaction and dependability. The Plan will reward employees if American achieves at least one of the two metrics.

The customer satisfaction metric will be based on American's Survey America Rank. The dependability metric will be based on American's DOT Rank.

Monthly awards will be based on the higher of the monthly rankings for DOT Rank or for Survey America Rank, as per the payout schedule below. These award levels are the same for all employees regardless of full-time or part-time status or job level.

Monthly Rank	Payout Per Person Per Month
First	\$100
Second - Third	\$ 50
Fourth - Fifth	\$ 25

If both metrics are achieved in any single month, the awards will not be additive. Awards will be based solely on the higher ranking of the two metrics.

Awards under the customer service component will be paid regardless of performance under the financial component. The awards under the customer service component will be paid, net of applicable taxes, within 75 days after DOT Rank and Survey America Rank are available and employee eligibility is established...

For example:

	Monthly Ranking Survey America	DOT	Higher Rank Achieved	Payout
January	2	7	2	2nd place = \$ 50
February	4	5	4	4th place = \$ 25
March	3	1	1	1st place = \$100
				Quarterly Payout \$175

Financial Component

The financial component of the Plan will be based upon American's Pre-Tax Earnings Margin for the full-year 2007. The measure has a threshold (performance below this level earns no award), a target and a maximum as reflected below:

	American's Pre-Tax Earnings Margin
Threshold	5%
Target	10%
Maximum	15%

For non-management, support staff and management levels 1-4, awards under the financial component, in combination with the customer service awards, will provide total annual Plan payouts ranging from 2.5% of Eligible Earnings at threshold, 5% of Eligible Earnings at target and 10% of Eligible Earnings at Maximum. Award levels have a linear progression as American's Pre-Tax Earnings Margin increases between the threshold and target levels, and between the target and maximum levels.

	American's Pre-Tax Earnings Margin	Award as a % of Eligible Earnings
Threshold	5%	2.5%
Target	10%	5.0%
Maximum	15%	10.0%

For management Levels 5 and above, none of whom participate in the Profit Sharing Plan; the Plan is the successor to the traditional Incentive Compensation Plan. As in the past, the awards for employees at Level 5 and above will be

determined by the senior management of AMR or, in certain instances, by the Board; will vary by level; and will be based on an assessment of individual performance.

If the company does not achieve the threshold level of American's Pre-Tax Earnings Margin, there will be no financial performance payout. However, a participant retains any awards earned in 2007 for customer service performance. When the threshold level of American's Pre-Tax Earnings Margin is met, participants may be entitled to a payment under the Plan (refer to the example below). In this case, any customer service awards earned during 2007 act as a "deposit" against the amount to be awarded pursuant to the financial component. The amount of the financial performance payout a participant receives will be the difference, if any, between what is earned under the financial performance formula and what has already been earned through the customer service awards (net of applicable taxes).

For example (an individual employee's sample annual payout):

Customer Service		
1 month ~ 1st Place	1 x \$100 =	\$100
3 months ~ 2nd - 3rd Place	3 x \$50 =	\$150
8 months ~ 4th - 5th Place	8 x \$25 =	\$200
Customer Service Payout		\$450

Financial ~ achieve 5% American's pre-tax earnings threshold and have \$40,000 in Eligible Earnings

2.5% x \$40,000 =	\$1,000
less Customer Service payout	(\$450)
Financial Payout	\$550

Total Annual payout is \$1,000 (\$450 + \$550), or 2.5% of Eligible Earnings (net of applicable taxes).

The AIP Letters of Agreement provide that Other Cash Compensation Programs for management employees may be no more than 20% of the maximum possible award that was or could have been earned by the individual management employee under the Plan formula (the "20% Limitation"). Any payment under the 20% Limitation shall be made by March 15, 2008.

The Board has established a program that, based on an individual's performance, anticipates payouts to Level 5 and above management employees up to the 20% Limitation. (Level 5 and above employees are not eligible for the Profit Sharing Plan) This program is designed to commence payments at \$500 million in American's pre-tax earnings, the same financial threshold as exists in the Profit Sharing Plan. This is consistent with the company's past practice of restricting payouts under any management incentive compensation program until payouts occur under the corresponding employee Profit Sharing Plan. Payouts under this program will cease when the financial threshold under the Plan (a 5% Pre-Tax Earnings Margin for American) is achieved. Any payment under the program described in this paragraph shall be made by March 15, 2008.

Although the Board has determined that a program to use the flexibility provided for in the Letters of Agreement will not commence until reaching a threshold of \$500 million in American's pre-tax earnings and will be discontinued when the financial threshold of the Plan is achieved, the company also retains the ability to make a payment to an individual under the 20% Limitation as provided for in the Letters of Agreement.

The Letters of Agreement and related discussions specify that for purposes of the 20% Limitation, Other Cash Compensation Programs does not include salary, stock-based compensation, severance, retirement benefits or deferred payments of base compensation, or eligible cash bonuses from prior years.

Eligibility for Participation

Customer Service Component:

To earn an award under the customer service component of the Plan, an individual must have been employed as a regular

full-time or part-time employee at American, in a participating workgroup (employees in the United States, Puerto Rico and the U.S. Virgin Islands) during the applicable month to be eligible to participate in the Plan.

The Committee, at its discretion, may permit participation by employees of Affiliates who have been so employed by the Affiliate since the first day in the applicable month, if they become employed by American during the applicable month during 2007.

In addition to the terms listed above, in order for full-time and part-time employees to earn a payout under the customer service measure, an individual cannot be on any type of leave during the applicable month, except approved FMLA, injury on duty, military, overage or time-card leave, as provided for under the company's policies, collective bargaining agreement or state law as applicable.

Moreover, an individual will not be eligible to earn a customer service award if such individual is, at the same time, eligible to participate in:

- i) any incentive compensation, profit sharing, commission or other bonus plan sponsored by an Affiliate of American
- ii) any commission or bonus plan, with the exception of American's Profit Sharing Plan or provisions of the Annual Incentive Plan, sponsored by American, any division of American or any Affiliate of American

In order to earn a customer service award under the Plan, an individual must satisfy the aforementioned eligibility requirements and must be an employee of American or an Affiliate at the time an award under the Plan is paid. If at the time awards are paid under the Plan, an individual has retired from American or an Affiliate, has been laid off, is on leave of absence with reinstatement rights, is Disabled, or has died, the award which the individual otherwise would have received under the Plan but for such retirement, lay-off, leave, Disability, or death will be paid (on a pro rata basis) to the individual, or his/her estate in the event of death.

The percentage of the payout that an individual receives for any given month will be determined based upon the percentage of his/her schedule that the individual fulfills in that month. For Plan purposes, an individual will be considered to have fulfilled his/her schedule if he/she actually works at least 50% of his/her scheduled time (50% of monthly guarantee hours for flight crew) or takes a scheduled vacation or time-card leave, which, together with his/her actual work time, amounts to at least 50% of his/her scheduled time for the month. If an individual does not fulfill his scheduled time due to one of the aforementioned leaves, his award will be pro rated based on actual hours worked in that month (vis-a-vis hours scheduled in that month); otherwise, no payment will be made.

Financial Component

To earn an award under the financial component of the Plan, an individual must have been employed as a regular full-time or part-time employee at American, in a participating workgroup (employees in the United States, Puerto Rico and the U.S. Virgin Islands) during 2007 to be eligible to participate in the Plan.

The Committee, at its discretion, may permit participation by employees of Affiliates who have been so employed by the Affiliate during the Plan year, if they become employed by American during the Plan year. In such instances, only eligible earnings at American will be included in the payout calculation.

Notwithstanding the forgoing, however, an individual will not be eligible to participate in the Plan if such individual is, at the same time, eligible to participate in:

- i) any incentive compensation, profit sharing, commission or other bonus plan sponsored by an Affiliate of American

- ii) any commission or bonus plan, with the exception of American's Employee Profit Sharing Plan or provisions of the Annual Incentive Plan, sponsored by American, any division of American or any Affiliate of American

In order to earn an award under the financial component of the Plan, an individual must satisfy the aforementioned eligibility requirements and must be an employee of American or an Affiliate at the time such financial award under the Plan is paid. If at the time such awards are paid under the Plan, an individual has retired from American or an Affiliate, has been laid off, is on leave of absence with reinstatement rights, is Disabled, or has died, the award which the individual otherwise would have received under the Plan but for such retirement, lay-off, leave, Disability, or death may be paid (on a pro rata basis) to the individual, or his/her estate in the event of death, at the discretion of the Committee.

Allocation of Individual Awards

The Committee, in consultation with the Chairman, President and CEO of American, will approve awards for officers of American, including the Named Executive Officers. The award for an officer will be equal to an amount calculated in accordance with this Plan, as adjusted for individual performance. Provided, however, that the sum of all awards made to officers may not exceed the sum of officer awards as calculated in accordance with this Plan. Awards for the Named Executive Officers will be equal to the award earned under the financial component of the Plan. An award under the Plan to an officer may not exceed the amount set forth in Section 11 of the 1998 Long Term Incentive Plan, as amended.

The Chairman, President and CEO of American, in consultation with the executive and senior vice presidents of American, will approve awards for non-officer eligible employees (Level 5 and above). An award for a non-officer will be equal to an amount calculated in accordance with this Plan, as adjusted for individual performance. Provided, however, that the sum of all awards made to non-officers may not exceed the sum of non-officer awards calculated in accordance with this Plan.

Administration

The Committee shall have authority to administer and interpret the Plan, establish administrative rules, approve eligible participants, and take any other action necessary for the proper and efficient operation of the Plan, consistent with the Letters of Agreement reached with each of the unions. The amount, if any, of the Fund shall be audited by the General Auditor of American based on a certification of American's Pre-Tax Earnings Margin by AMR's independent auditors. For the Financial Measure, a summary of awards under the Plan shall be provided to the Committee at the first regular meeting following determination of the awards. To the extent a Measure is no longer compiled by the DOT or Survey America as applicable, during a Plan year, the Committee will substitute a comparable performance measure for the remainder of the Plan year.

Method of Payment

The Committee will determine the method of payment of awards. The financial awards shall be paid (net of applicable taxes) as soon as practicable after audited financial statements for the year 2007 are available, but no later than March 15, 2008. The customer service measure is paid independently of the financial measure. The customer service award will be paid (net applicable taxes) quarterly within 75 days after the DOT Rank and Survey America Rank are available and employee eligibility is established.

General

Neither this Plan nor any action taken hereunder shall be construed as giving any employee or participant the right to

be retained in the employ of American or an Affiliate.

Nothing in the Plan shall be deemed to give any employee any right, contractually or otherwise, to participate in the Plan or in any benefits hereunder, other than the right to receive payment of such incentive compensation as may have been expressly awarded by the Committee.

In consideration of the employee's privilege to participate in the Plan, the employee agrees (i) not to disclose any trade secrets of, or other confidential/restricted information of, American or its Affiliates to any unauthorized party and (ii) not to make any unauthorized use of such trade secrets or confidential or restricted information during his or her employment with American or its Affiliates or after such employment is terminated, and (iii) not to solicit any then current employees of American or any other subsidiaries of AMR to join the employee at his or her new place of employment after his or her employment with American or its Affiliates is terminated.

The employee shall not have the right to defer any payment under the Plan. The Committee and American Airlines shall not accelerate any payment under the plan.

Notwithstanding any provision to the contrary, if an employee is a person subject to section 409(a)(2)(B)(i) of the Code, any payment under the Plan due to Retirement or termination of employment for reasons other than Death or Disability shall be delayed until the sixth month anniversary of the date of the separation from employment due to Retirement or termination for Cause.

2005 - 2007 PERFORMANCE SHARE PLAN
FOR OFFICERS AND KEY EMPLOYEES, AS AMENDED AND RESTATED
AS OF JANUARY 16, 2007

Purpose

The purpose of the 2005 - 2007 AMR Corporation Performance Share Plan for Officers and Key Employees, as amended and restated as of January 16, 2007 ("Plan") is to provide greater incentive to officers and key employees of the subsidiaries and affiliates of AMR Corporation ("AMR" or the "Corporation") to achieve the highest level of individual performance and to meet or exceed specified goals during the time frame 2005 to 2007, which will contribute to the success of the Corporation.

Definitions

For purposes of the Plan, the following definitions will control:

"Affiliate" is defined as a subsidiary of AMR or any entity that is designated by the Committee as a participating employer under the Plan, provided that AMR directly or indirectly owns at least 20% of the combined voting power of all classes of stock of such entity.

"Committee" is defined as the Compensation Committee, or its successor, of the AMR Board of Directors.

"Comparator Group" is defined as the following six U.S. based carriers: AMR Corporation, Continental Airlines, Inc., Delta Air Lines, Inc., JetBlue Airways, Northwest Airlines Corp. and Southwest Airlines Co.

"Corporate Objectives" is defined as being the objectives established by the Committee at the beginning of each fiscal year during the Measurement Period.

"Measurement Period" is defined as the three year period beginning January 1, 2005 and ending December 31, 2007.

"Total Shareholder Return (TSR)" is defined as the rate of return reflecting stock price appreciation plus reinvestment of dividends over the Measurement Period. The average Daily Closing Stock Price (adjusted for splits and dividends) for the three months prior to the beginning and ending points of the Measurement Period will be used to smooth out market fluctuations.

"Daily Closing Stock Price" is defined as the stock price at the close of trading (4:00 PM EST) of the National Exchange on which the stock is traded.

"National Exchange" is defined as either the New York Stock Exchange (NYSE), the National Association of Stock Dealers and Quotes (NASDAQ), or the American Stock Exchange (AMEX).

Accumulation of Award

Any distribution under the Plan will be determined by (i) the Corporation's TSR rank within the Comparator Group and/or (ii) the Corporation's attainment of the Corporate Objectives during each year of the Measurement Period and (iii) the terms and conditions of the award agreement between the Corporation and the employee. The distribution percentage of a target award pursuant to the TSR metric and based on rank, is specified below:

Granted Shares - Percent of Target Based on Rank

Rank	6	5	4	3	2	1
Payout%	0%	50%	75%	100%	135%	175%

In the event that a carrier (or carriers) in the Comparator Group ceases to trade on a National Exchange at

any point in the Measurement Period, the following distribution percentage of target award, based on rank and the number of remaining comparators, will be used accordingly.

5 Comparators

Granted Shares - Percent of Target Based on Rank

Rank	5	4	3	2	1
Payout%	50%	75%	100%	135%	175%

4 Comparators

Granted Shares - Percent of Target Based on Rank

Rank	4	3	2	1
Payout%	75%	100%	135%	175%

3 Comparators

Granted Shares - Percent of Target Based on Rank

Rank	3	2	1
Payout %	100%	135%	175%

At the end of each fiscal year during the Measurement Period, the Committee will determine whether the Corporate Objectives have been achieved. At the end of the Measurement Period the Committee will determine the distribution of an award based upon the TSR metric and, with respect to senior officer awards, the Corporate Objectives. The number of shares that may vest will range from 0% to 175% of the target award.

Administration

The Committee shall have authority to administer and interpret the Plan, establish administrative rules, approve eligible participants, and take any other action necessary for the proper and efficient operation of the Plan. The TSR metric will be determined based on an audit of AMR's TSR rank by the General Auditor of American. A summary of awards under the Plan shall be provided to the Board of Directors at the first regular meeting following determination of the awards. Awards, if any, will be distributed on or about April 17, 2008, or such date in 2008 the award is approved for distribution by the Committee.

The distribution of any shares under this Plan is subject to the Corporation having sufficient stock in a stock plan to make such a distribution. In the event the Corporation does not have sufficient shares of stock in such a stock plan for the distribution contemplated by this Plan, the Committee will have the authority and discretion to make substitutions for such shares, all to the effect that the Employee will receive cash or other marketable property of a value equivalent to what the Employee would have received in a stock distribution.

Corporate Objectives will be used as a metric for determining the distribution of awards only for senior officers of the Corporation (or a Subsidiary thereof) unless the Committee determines otherwise.

General

Neither this Plan nor any action taken hereunder shall be construed as giving any employee or participant the right to be retained in the employ of American Airlines, Inc. or an Affiliate.

Nothing in the Plan shall be deemed to give any employee any right, contractually or otherwise, to participate in the Plan or in any benefits hereunder, other than the right to receive an award as may have been expressly awarded by the Committee subject to the terms and conditions of the award agreement between the Corporation

and the employee.

In the event of any act of God, war, natural disaster, aircraft grounding, revocation of operating certificate, terrorism, strike, lockout, labor dispute, work stoppage, fire, epidemic or quarantine restriction, act of government, critical materials shortage, or any other act beyond the control of the Corporation, whether similar or dissimilar, (each a "Force Majeure Event"), which Force Majeure Event affects the Corporation or its Subsidiaries or its Affiliates, the Committee, in its sole discretion, may (i) terminate or (ii) suspend, delay, defer (for such period of time as the Committee may deem necessary), or substitute any awards due currently or in the future under the Plan, including, but not limited to, any awards that have accrued to the benefit of participants but have not yet been paid, in any case to the extent permitted under Proposed Treasury Regulation 1.409A-3(d) and/or 1.409A-3(e), or successor guidance thereto.

In consideration of the employee's privilege to participate in the Plan, the employee agrees (i) not to disclose any trade secrets of, or other confidential/restricted information of, American Airlines, Inc. or its Affiliates to any unauthorized party and, (ii) not to make any unauthorized use of such trade secrets or confidential or restricted information during his or her employment with American Airlines, Inc. or its Affiliates or after such employment is terminated, and (iii) not to solicit any then current employees of American Airlines, Inc. or any other Subsidiaries of AMR to join the employee at his or her new place of employment after his or her employment with American Airlines, Inc. or its Affiliates is terminated. The failure by the employee to abide by the foregoing obligations shall result in the award being forfeited in its entirety.

The Committee may amend, suspend, or terminate the Plan at any time.

2005 - 2007 PERFORMANCE SHARE AGREEMENT
AS AMENDED AND RESTATED AS OF JANUARY 16, 2007

This 2005/2007 Performance Share Agreement ("Agreement") is amended and restated as of January 16, 2007, by and between AMR Corporation, a Delaware corporation (the "Corporation"), and an officer or key employee of one of the Corporation's Subsidiaries (the "Employee" or the "Recipient") as identified in the notification sent the Employee described below (the "Notification").

WHEREAS, pursuant to the 2005/2007 Performance Share Plan for Officers and Key Employees, as amended and restated as of January 16, 2007 (the "Plan") and as adopted by the Board of Directors of the Corporation (the "Board"), the Compensation Committee of the Board (the "Committee") has determined to make an award (the "Award", as set forth in the Notification) to the Employee (subject to the terms of the Plan and this Agreement), as an inducement for the Employee to remain an employee of one of the Corporation's Subsidiaries during the time frame of 2005-2007 and to retain and motivate such Employee during such employment.

This Agreement sets forth the terms and conditions attendant to the Award under the Plan.

1. Grant of Award. Subject to the terms and conditions of this Agreement, the Recipient is hereby granted an Award as of the grant date set forth in the Notification. The Award shall vest, if at all, in accordance with Section 2 of this Agreement. On the date the Award vests (if at all), the Recipient will receive a combination of cash and the Corporation's Common Stock. The Committee will determine the amount of the Award to be distributed in cash, if any (the "Cash Award") and the amount of the Award to be settled in shares of the Corporation's Common Stock (the "Stock Distribution"). The Cash Award will be distributed on April 30, 2008 (such Cash Award will be made pursuant to the Annual Incentive Plan). The Stock Distribution will occur on or about April 17, 2008 (such Stock Distribution will be made from and pursuant to the AMR Corporation 1998 Long Term Incentive Plan, as amended (the "LTIP")). The sum of the Cash Award and the Stock Distribution will equal the product of (a) the Fair Market Value of the Common Stock on April 16, 2008, and (b) the number of shares of Common Stock comprising the Award.

2. Vesting.

(a) The Award will vest, if at all, in accordance with Schedule A, attached hereto and made part of this Agreement.

(b) In the event Employee's employment with one of the Corporation's Subsidiaries is terminated prior to the end of the three year measurement period set forth in Schedule A (the "Measurement Period") due to the Employee's death, "Disability" (as defined in section 409A(a)(2)(C) of the Internal Revenue Code of 1986, as amended (the "Code")), Retirement (subject to the second paragraph of Section 4) or termination not for Cause (each an "Early Termination"), the Award will vest, if at all, on a pro-rata basis and will be distributed to the Employee (or, in the event of the Employee's death, the Employee's designated beneficiary for purposes of the Award, or in the absence of an effective beneficiary designation, the Employee's estate). The pro-rata basis will be a percentage where the denominator is 36 and the numerator is the number of months from January 1, 2005 through the month of Early Termination, inclusive. This pro-rata Award will be distributed to the Employee at the same time as Cash Awards and Stock Distributions are made to then current employees who have Awards under the Plan, subject to Section 2(f) of this Agreement.

(c) In the event the Employee's employment with one of the Corporation's Subsidiaries is terminated for Cause, or if the Employee terminates his/her employment with such Subsidiary, each occurring prior to April 16, 2008, the Award shall be forfeited in its entirety.

(d) If prior to April 16, 2008 the Employee becomes an employee of a Subsidiary that is not wholly owned, directly or indirectly, by the Corporation, or if the Employee begins a leave of absence without reinstatement rights, then in each case the Award shall be forfeited in its entirety.

(e) In the event of a Change in Control of the Corporation prior to the distribution of the Award, the Award will be paid within 60 days of the date of the Change in Control. In such event, the vesting date shall be the date of the Change in Control. The term "Change in Control" is defined for purposes of this Agreement in Section 7.

(f) Notwithstanding the provisions of Section 2(b), if the Employee is a person subject to section 409A(a)(2)(B)(i) of the Code, any payment on account of Retirement or termination not for Cause of the Employee shall be delayed until the sixth month anniversary of the date of separation from employment due to Retirement or termination not for Cause.

3. Transfer Restrictions. This Award is non-transferable otherwise than by will or by the laws of descent and distribution, and may not otherwise be assigned, pledged or hypothecated and shall not be subject to execution, attachment or similar process. Upon any attempt by the Employee (or the Employee's successor in interest after the Employee's death) to effect any such disposition, or upon the commencement of any such process, the Award may immediately become null and void, at the discretion of the Committee.

4. Miscellaneous. This Agreement (a) shall be binding upon and inure to the benefit of any successor of the Corporation, (b) shall be governed by the laws of the State of Texas and any applicable laws of the United States, and (c) may not be amended without the written consent of both the Corporation and the Employee. Notwithstanding the foregoing, this Agreement may be amended from time to time without the written consent of the Employee pursuant to Section 8 below and as permitted by the Plan (or its successor). No contract or right of employment shall be implied by this Agreement.

In the event the Employee's employment is terminated by reason of Early or Normal Retirement and the Employee subsequently is employed by a competitor of the Corporation prior to complete payment of the Award, the Corporation reserves the right, upon notice to the Employee, to declare the Award forfeited and of no further validity.

In consideration of the Employee's privilege to participate in the Plan, the Employee agrees (i) not to disclose any trade secrets of, or other confidential/restricted information of, American Airlines, Inc. ("American") or its Affiliates to any unauthorized party and (ii) not to make any unauthorized use of such trade secrets or confidential or restricted information during his or her employment with American or its Affiliates or after such employment is terminated, and (iii) not to solicit any then current employees of American or any other Subsidiaries of the Corporation to join the Employee at his or her new place of employment after his or her employment with American or its Affiliates is terminated. The failure by the Employee to abide by the foregoing obligations shall result in the Award being forfeited in its entirety.

The Employee will not have the right to defer any of the Cash Award or the Stock Distribution. Except as provided in this Agreement, the Committee and Corporation will not accelerate the Cash Award or the Stock Distribution.

Any Cash Award will be net of applicable withholding and social security taxes. The Employee will pay to the Corporation timely any and all such taxes on account of the Stock Distribution. The failure by the Employee to pay timely such taxes will result in a withholding from any and all payments from the Corporation or any Subsidiary to the Employee in order to satisfy such taxes.

during the time frame 2005 to 2007, which will contribute to the success of the Corporation.

Definitions

For purposes of the Plan, the following definitions will control:

"Affiliate" is defined as a subsidiary of AMR or any entity that is designated by the Committee as a participating employer under the Plan, provided that AMR directly or indirectly owns at least 20% of the combined voting power of all classes of stock of such entity.

"Committee" is defined as the Compensation Committee, or its successor, of the AMR Board of Directors.

"Comparator Group" is defined as the following six U.S. based carriers: AMR Corporation, Continental Airlines, Inc., Delta Air Lines, Inc., JetBlue Airways, Northwest Airlines Corp. and Southwest Airlines Co.

"Corporate Objectives" is defined as being the objectives established by the Committee at the beginning of each fiscal year during the Measurement Period.

"Measurement Period" is defined as the three year period beginning January 1, 2005 and ending December 31, 2007.

"Total Shareholder Return (TSR)" is defined as the rate of return reflecting stock price appreciation plus reinvestment of dividends over the Measurement Period. The average Daily Closing Stock Price (adjusted for splits and dividends) for the three months prior to the beginning and ending points of the Measurement Period will be used to smooth out market fluctuations.

"Daily Closing Stock Price" is defined as the stock price at the close of trading (4:00 PM EST) of the National Exchange on which the stock is traded.

"National Exchange" is defined as either the New York Stock Exchange (NYSE), the National Association of Stock Dealers and Quotes (NASDAQ), or the American Stock Exchange (AMEX).

Accumulation of Award

Any distribution under the Plan will be determined by (i) the Corporation's TSR rank within the Comparator Group and/or (ii) the Corporation's attainment of the Corporate Objectives during each year of the Measurement Period and (iii) the terms and conditions of the award agreement between the Corporation and the employee. The distribution percentage of a target award pursuant to the TSR metric and based on rank, is specified below:

Granted Shares - Percent of Target Based on Rank

Rank	6	5	4	3	2	1
Payout %	0%	50%	75%	100%	135%	175%

In the event that a carrier (or carriers) in the Comparator Group ceases to trade on a National Exchange at any point in the Measurement Period, the following distribution percentage of target award, based on rank and the number of remaining comparators, will be used accordingly.

5 Comparators

Granted Shares - Percent of Target Based on Rank

Rank	5	4	3	2	1
Payout%	50%	75%	100%	135%	175%

4 Comparators

Granted Shares - Percent of Target Based on Rank

Rank	4	3	2	1
Payout%	75%	100%	135%	175%

3 Comparators

Granted Shares - Percent of Target Based on Rank

Rank	3	2	1
Payout %	100%	135%	175%

At the end of each fiscal year during the Measurement Period, the Committee will determine whether the Corporate Objectives have been achieved. At the end of the Measurement Period the Committee will determine the distribution of an award based upon the TSR metric and, with respect to senior officer awards, the Corporate Objectives. The number of shares that may vest will range from 0% to 175% of the target award.

Administration

The Committee shall have authority to administer and interpret the Plan, establish administrative rules, approve eligible participants, and take any other action necessary for the proper and efficient operation of the Plan. The TSR metric will be determined based on an audit of AMR's TSR rank by the General Auditor of American. A summary of awards under the Plan shall be provided to the Board of Directors at the first regular meeting following determination of the awards. Awards, if any, will be distributed on or about April 17, 2008, or such date in 2008 the award is approved for distribution by the Committee.

The distribution of any shares under this Plan is subject to the Corporation having sufficient stock in a stock plan to make such a distribution. In the event the Corporation does not have sufficient shares of stock in such a stock plan for the distribution contemplated by this Plan, the Committee will have the authority and discretion to make substitutions for such shares, all to the effect that the Employee will receive cash or other marketable property of a value equivalent to what the Employee would have received in a stock distribution.

Corporate Objectives will be used as a metric for determining the distribution of awards only for senior officers of the Corporation (or a Subsidiary thereof) unless the Committee determines otherwise.

General

Neither this Plan nor any action taken hereunder shall be construed as giving any employee or participant the right to be retained in the employ of American Airlines, Inc. or an Affiliate.

Nothing in the Plan shall be deemed to give any employee any right, contractually or otherwise, to participate in the Plan or in any benefits hereunder, other than the right to receive an award as may have been expressly awarded by the Committee subject to the terms and conditions of the award agreement between the Corporation and the employee.

In the event of any act of God, war, natural disaster, aircraft grounding, revocation of operating certificate, terrorism, strike, lockout, labor dispute, work stoppage, fire, epidemic or quarantine restriction, act of government, critical materials shortage, or any other act beyond the control of the Corporation, whether similar or dissimilar, (each a "Force Majeure Event"), which Force Majeure Event affects the Corporation or its Subsidiaries or its Affiliates, the Committee, in its sole discretion, may (i) terminate or (ii) suspend, delay, defer (for such period of time as the Committee may deem necessary), or substitute any awards due currently or in the future under the Plan,

including, but not limited to, any awards that have accrued to the benefit of participants but have not yet been paid, in any case to the extent permitted under Proposed Treasury Regulation 1.409A-3(d) and/or 1.409A-3(e), or successor guidance thereto.

In consideration of the employee's privilege to participate in the Plan, the employee agrees (i) not to disclose any trade secrets of, or other confidential/restricted information of, American Airlines, Inc. or its Affiliates to any unauthorized party and, (ii) not to make any unauthorized use of such trade secrets or confidential or restricted information during his or her employment with American Airlines, Inc. or its Affiliates or after such employment is terminated, and (iii) not to solicit any then current employees of American Airlines, Inc. or any other Subsidiaries of AMR to join the employee at his or her new place of employment after his or her employment with American Airlines, Inc. or its Affiliates is terminated. The failure by the employee to abide by the foregoing obligations shall result in the award being forfeited in its entirety.

The Committee may amend, suspend, or terminate the Plan at any time.

DEFERRED SHARE AWARD AGREEMENT,
AS AMENDED AND RESTATED AS OF JANUARY 16, 2007

This Deferred Share Award Agreement (the "Agreement") is amended and restated as of January 16, 2007, by and between AMR Corporation, a Delaware corporation (the "Corporation"), and an officer or key employee of one of the Corporation's Subsidiaries (the "Employee") as identified in the notification sent to the Employee described below (the "Notification").

WHEREAS, pursuant to the AMR Corporation 1998 Long Term Incentive Plan, as amended (the "LTIP"), the Compensation Committee of the Board of Directors (the "Committee") has determined that the Employee is an officer or key employee and has further determined to make an award of deferred shares from and pursuant to the LTIP to the Employee as an inducement for the Employee to remain with one of the Corporation's Subsidiaries and to motivate the Employee during such employment.

NOW, THEREFORE, the Corporation and the Employee hereby agree as follows:

1. Grant of Award.

The Employee is hereby granted effective as of the grant date set forth in the Notification (the "Grant Date") a deferred share award (the "Award"), subject to the terms and conditions of this Agreement, as amended and restated, with respect to the number of shares of Common Stock set forth in the Notification (the "Shares"). Subject to the terms and conditions of this Agreement, the Shares covered by the Award will vest, if at all, in accordance with Section 2 hereof, on July 25, 2008 (such date hereby established as the "Vesting Date" of the Award).

2. Distribution of Award.

Distribution with respect to the Award, on the Vesting Date, will occur, if at all, in accordance with the following terms and conditions:

(a) If the Employee is on the payroll of a Subsidiary that is wholly owned by the Corporation as of the Vesting Date, the Shares will be distributed to the Employee on or about July 25, 2008.

(b) In the event the Employee's employment with a Subsidiary of the Corporation is terminated prior to the Vesting Date due to the Employee's death, Disability (as defined in section 409A(a)(2)(C) of the Internal Revenue Code of 1986, as amended, (the "Code")), Retirement or termination not for Cause (each an "Early Termination"), the Shares covered by the Award will vest on a pro-rata basis and will be distributed to the Employee (or, in the event of the Employee's death, the Employee's designated beneficiary for the purposes of the Award, or in the absence of an effective beneficiary designation, the Employee's estate). The pro-rata basis will be a percentage where the denominator is 36 and the numerator is the number of months from the Grant Date through the month of Early Termination, inclusive. The pro-rata Award will be distributed (subject to Section 2(e) hereof) to the Employee (or, in the event of the Employee's death, the Employee's designated beneficiary for the purposes of the Award, or in the absence of an effective beneficiary designation, the Employee's estate) at the same time as Awards are made to then current employees who have Awards under the Plan, subject to Section 2(e) of this Agreement.

(c) In the event of a Change in Control of the Corporation (as defined in Section 5 hereof) after the Vesting Date but prior to the distribution of the Award, the Award will be distributed in accordance with the terms of the LTIP.

(d) Notwithstanding the terms of Section 2(a), 2(b) or 2(c), the Award will be forfeited in its entirety if prior

to the Vesting Date:

- (i) The Employee's employment with a Subsidiary of the Corporation is terminated for Cause, or if the Employee terminates his/her employment with a Subsidiary of the Corporation;
- (ii) The Employee becomes an employee of a Subsidiary that is not wholly owned by the Corporation; or
- (iii) The Employee takes a leave of absence without reinstatement rights, unless otherwise agreed in writing between the Corporation (or a Subsidiary or Affiliate thereof) and the Employee.

(e) Notwithstanding the provisions of Section 2(b), if the Employee is a person subject to section 409A(a)(2)(B)(i) of the Code, any payment on account of Retirement or termination not for Cause of the Employee shall be delayed until the sixth month anniversary of the date of the Employee's separation from employment due to Retirement or termination not for Cause.

3. Transfer Restrictions.

Unless otherwise permitted by the Committee, this award is non-transferable other than by will or by the laws of descent and distribution, and may not be assigned, pledged or hypothecated and will not be subject to execution, attachment or similar process. Upon any attempt by the Employee (or the Employee's successor in the interest after the Employee's death) to effect any such disposition, or upon the commencement of any such process, the Award may immediately become null and void, at the discretion of the Committee.

4. [Intentionally omitted]

5. Miscellaneous.

This Agreement (a) will be binding upon and inure to the benefit of any successor of the Corporation, (b) will be governed by the laws of the State of Texas and any applicable laws of the United States, and (c) may not be amended without the written consent of both the Corporation and the Employee. Notwithstanding the foregoing, this Agreement may be amended from time to time without the written consent of the Employee pursuant to Section 8 below and as permitted by the LTIP (or its successor). No contract or right of employment will be implied by this Agreement.

In consideration of the Employee's privilege to participate in the Plan, the Employee agrees (i) not to disclose any trade secrets of, or other confidential/restricted information of, American Airlines, Inc. ("American") or its Affiliates to any unauthorized party and (ii) not to make any unauthorized use of such trade secrets or confidential or restricted information during his or her employment with American or its Affiliates or after such employment is terminated, and (iii) not to solicit any then current employees of American or any other Subsidiaries of the Corporation to join the Employee at his or her place of employment after his or her employment with American or its Affiliates is terminated. The failure by the Employee to abide by the foregoing obligations shall result in the Award being immediately forfeited in its entirety.

For purposes of Section 2(c) hereof, the term "Change in Control" will mean a "change in ownership" or "change in effective control", or "change in ownership of the assets" of the Corporation, as determined pursuant to Internal Revenue Service Notice 2005-1 (or successor guidance thereto under section 409A of the Code).

The Employee shall not have the right to defer distribution of the Award. Except as provided in this Agreement, the Committee and Corporation will not accelerate

distribution of the Award.

Notwithstanding anything in this Agreement to the contrary, the Committee may elect, at any time and from time to time, in lieu of issuing all or any portion of the Shares, to make substitutions for such Shares, all to the effect that the employee will receive cash or other marketable property of a value equivalent to what the Employee would have received in a stock distribution.

Capitalized terms not otherwise defined herein shall have the meanings set forth for such terms in the LTIP.

6. Adjustments in Awards.

In the event of a Stock dividend, Stock split, merger, consolidation, re-organization, re-capitalization or other change in the corporate structure of the Corporation, appropriate adjustments shall be made by the Committee in the number of Shares awarded.

7. Prior Deferred Unit Awards.

In consideration of this amended and restated Agreement, the Employee irrevocably agrees that any prior award granted to the Employee under a 2005 Deferred Unit Agreement, as hereby amended and restated, is hereby forfeited in its entirety and will hereafter be of no further effect and such prior award is replaced in its entirety with the Award granted under this Agreement.

8. American Jobs Creation Act.

In addition to amendments permitted by Section 5 above, amendments to this Agreement may be made by the Corporation, without the Employee's consent, in order to ensure compliance with the American Jobs Creation Act of 2004.

IN WITNESS HEREOF, the Employee and the Corporation have executed this Agreement as of the day and year first above written.

Employee

AMR CORPORATION

Kenneth W. Wimberly
Corporate Secretary

Name of Executive

Number of 2005 Deferred
Shares Granted

G.J. Arpey	24,000
D. P. Garton	16,500
G.F. Kennedy	10,000
R.W. Reding	10,000