UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended December 31, 2025

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period From to

Commission file number 1-8400

American Airlines Group Inc.

(Exact name of registrant as specified in its charter)

Delaware	**75-1825172**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
1 Skyview Drive, Fort Worth, Texas 76155	**(682) 278-9000**
(Address of principal executive offices, including zip code)	*Registrant's telephone number, including area code*

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	**AAL**	**The Nasdaq Global Select Market**
Preferred Stock Purchase Rights	—	**(1)**

(1) Attached to the Common Stock

Securities registered pursuant to Section 12(g) of the Act: None

Commission file number 1-2691

American Airlines, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**13-1502798**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
1 Skyview Drive, Fort Worth, Texas 76155	**(682) 278-9000**
(Address of principal executive offices, including zip code)	*Registrant's telephone number, including area code*

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

American Airlines Group Inc.	Yes	☒	No	☐
American Airlines, Inc.	Yes	☒	No	☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

American Airlines Group Inc.	Yes	☐	No	☒
American Airlines, Inc.	Yes	☐	No	☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

American Airlines Group Inc.	Yes	☒	No	☐
American Airlines, Inc.	Yes	☒	No	☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

American Airlines Group Inc.	Yes	☒	No	☐
American Airlines, Inc.	Yes	☒	No	☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

American Airlines Group Inc.	☒	Large accelerated filer	☐	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company
American Airlines, Inc.	☐	Large accelerated filer	☐	Accelerated filer	☒	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

American Airlines Group Inc.	☐
American Airlines, Inc.	☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

American Airlines Group Inc.	Yes	☒	No	☐
American Airlines, Inc.	Yes	☒	No	☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

American Airlines Group Inc.	☐
American Airlines, Inc.	☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

American Airlines Group Inc.	☐
American Airlines, Inc.	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

American Airlines Group Inc.	Yes	☐	No	☒
American Airlines, Inc.	Yes	☐	No	☒

The aggregate market value of the voting stock held by non-affiliates of American Airlines Group Inc. as of June 30, 2025, was approximately $7.4 billion. As of February 13, 2026, there were 660,304,573 shares of American Airlines Group Inc. common stock outstanding.

As of February 13, 2026, there were 1,000 shares of American Airlines, Inc. common stock outstanding, all of which were held by American Airlines Group Inc.

OMISSION OF CERTAIN INFORMATION

American Airlines, Inc. meets the conditions set forth in General Instruction I(1)(a) and (b) of Form 10-K and has therefore omitted the information otherwise called for by Items 10-13 of Form 10-K as allowed under General Instruction I(2)(c).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the proxy statement related to American Airlines Group Inc.'s 2026 Annual Meeting of Stockholders, which proxy statement will be filed under the Securities Exchange Act of 1934 within 120 days of the end of American Airlines Group Inc.'s fiscal year ended December 31, 2025, are incorporated by reference into Part III of this Annual Report on Form 10-K.

American Airlines Group Inc.
American Airlines, Inc.
Form 10-K
Year Ended December 31, 2025
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General

This report is filed by American Airlines Group Inc. (AAG) and its wholly-owned subsidiary American Airlines, Inc. (American). References in this Annual Report on Form 10-K to "we," "us," "our," the "Company" and similar terms refer to AAG and its consolidated subsidiaries. References in this report to "mainline" refer to the operations of American only and exclude regional operations.

Note Concerning Forward-Looking Statements

Certain of the statements contained in this report should be considered forward-looking statements within the meaning of the Securities Act of 1933, as amended (the Securities Act), the Securities Exchange Act of 1934, as amended (the Exchange Act), and the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by words such as "may," "will," "expect," "intend," "anticipate," "believe," "estimate," "plan," "project," "could," "should," "would," "continue," "seek," "target," "guidance," "outlook," "if current trends continue," "optimistic," "forecast" and other similar words. Such statements include, but are not limited to, statements about our plans, objectives, expectations, intentions, estimates and strategies for the future, and other statements that are not historical facts. These forward-looking statements are based on our current objectives, beliefs and expectations, and they are subject to significant risks and uncertainties that may cause actual results and financial position and timing of certain events to differ materially from the information in the forward-looking statements. These risks and uncertainties include, but are not limited to, those described below under Part I, Item 1A. Risk Factors, Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and other risks and uncertainties listed from time to time in our filings with the Securities and Exchange Commission (the SEC).

All of the forward-looking statements are qualified in their entirety by reference to the factors discussed in Part I, Item 1A. Risk Factors and elsewhere in this report. There may be other factors of which we are not currently aware that may affect matters discussed in the forward-looking statements and may also cause actual results to differ materially from those discussed. We do not assume any obligation to publicly update or supplement any forward-looking statement to reflect actual results, changes in assumptions or changes in other factors affecting such statements other than as required by law. Any forward-looking statements speak only as of the date of this report or as of the dates indicated in the statements.

Summary of Risk Factors

Our business is subject to a number of risks and uncertainties that may affect our business, results of operations and financial condition, or the trading price of our common stock or other securities. We caution the reader that these risk factors may not be exhaustive. We operate in a continually changing business environment, and new risks and uncertainties emerge from time to time. Management cannot predict such new risks and uncertainties, nor can it assess the extent to which any of the risk factors below or any such new risks and uncertainties, or any combination thereof, may impact our business. These risks are more fully described in Part I, Item 1A. Risk Factors. These risks include, among others, the following:

Risks Related to our Business and Industry

- Downturns in economic conditions could adversely affect our business.
- We will need to obtain sufficient financing or other capital to operate successfully.
- Our high level of debt and other obligations may limit our ability to fund general corporate requirements and obtain additional financing, may limit our flexibility in responding to competitive developments and may cause our business to be vulnerable to adverse economic and industry conditions.
- If our financial condition worsens, provisions in our credit card processing and other commercial agreements may adversely affect our liquidity.
- The loss of key personnel whom we depend on to operate our business, or the inability to attract, develop and retain additional qualified personnel could adversely affect our business.
- Our business has been and will continue to be materially affected by many changing economic, geopolitical, commercial, regulatory and other conditions beyond our control, including global events that affect travel behavior.
- The airline industry is intensely competitive and dynamic.
- Union disputes, employee strikes and other labor-related disruptions may adversely affect our operations and financial performance.
- If we encounter problems with any of our third-party regional operators or third-party service providers, our operations could be adversely affected by a resulting decline in revenue or negative public perception about our services.
- Any damage to our reputation or brand image could adversely affect our business or financial results.
- Risks of losses and adverse publicity from any public incidents involving our company, people or brand.
- Changes to our business model that are designed to increase revenues and reduce costs may not be successful and may cause operational difficulties or decreased demand.
- Our intellectual property rights, particularly our branding rights, are valuable, and any inability to protect them may adversely affect our business and financial results.
- We may be a party to litigation in the normal course of business or otherwise, which could affect our financial position and liquidity.
- We rely heavily on technology and automated systems, including artificial intelligence (AI), to operate our business, and any failures could harm our business, results of operations and financial condition.

- Evolving data privacy requirements could increase our costs, and any significant cybersecurity incident could disrupt our operations, harm our reputation, expose us to legal risks and otherwise materially adversely affect our business, results of operations and financial condition.
- We are exposed to risks from cyberattacks, and any cybersecurity incidents involving us, our third-party service providers, or one of our AAdvantage partners or other business partners.
- We have a significant amount of goodwill, which is assessed for impairment at least annually. We may never realize the full value of our intangible or long-lived assets, causing us to record material impairment charges.
- The commercial relationships that we have with other companies, including any related equity investments, may not produce the returns or results we expect.
- Our business is very dependent on the price and availability of aircraft fuel. Continued periods of high volatility in fuel costs, increased fuel prices or significant disruptions in the supply of aircraft fuel could have a significant negative impact on consumer demand, our operating results and liquidity.
- Our business is subject to extensive government regulation.
- We can be adversely affected by any prolonged U.S. Government shutdown.
- We operate a global business with international operations that are subject to economic and political instability and have been, and in the future may continue to be, adversely affected by numerous events, circumstances or government actions beyond our control.
- We may be adversely affected by conflicts overseas, terrorist attacks or other acts of violence, domestically or abroad; the travel industry continues to face ongoing security concerns.
- We are subject to risks associated with climate change, including increased regulation of our greenhouse gas (GHG) emissions, changing consumer preferences and the potential for increased impacts of severe weather events on our operations and infrastructure.
- We are subject to various risks associated with environmental and social matters, and many forms of environmental and noise regulation.
- A shortage of pilots or other personnel could materially adversely affect our business.
- We depend on a limited number of suppliers for aircraft, aircraft engines and parts. Delays in scheduled aircraft deliveries, unexpected grounding of aircraft or aircraft engines whether by regulators or by us, or other loss of anticipated fleet capacity, and failure of new aircraft to receive regulatory approval, be produced or otherwise perform as and when expected, adversely impacts our business, results of operations and financial condition.
- We rely on third-party distribution channels and must effectively manage the costs, rights and functionality of these channels.
- If we are unable to obtain and maintain adequate facilities and infrastructure throughout our system and, at some airports, adequate slots, we may be unable to operate our existing flight schedule and to expand or change our route network in the future.
- Interruptions or disruptions in service at one of our key facilities.
- Increases in insurance costs or reductions in insurance coverage, and heavy taxation of the airline industry.

PART I

ITEM 1. BUSINESS

Overview

American Airlines Group Inc. (AAG), a Delaware corporation, is a holding company and its principal, wholly-owned subsidiaries are American Airlines, Inc. (American), Envoy Aviation Group Inc., PSA Airlines, Inc. (PSA) and Piedmont Airlines, Inc. (Piedmont). AAG was formed in 1982, under the name AMR Corporation (AMR), as the parent company of American, which was founded in 1934, with roots tracing back to an air mail carrier in the Midwestern United States in 1926.

AAG's and American's principal executive offices are located at 1 Skyview Drive, Fort Worth, Texas 76155 and their telephone number is 682-278-9000.

Airline Operations

Together with our wholly-owned regional airline subsidiaries and third-party regional carriers operating as American Eagle, our primary business activity is the operation of a major network air carrier, providing scheduled air transportation for passengers and cargo through our hubs in Charlotte, Chicago, Dallas/Fort Worth, Los Angeles, Miami, New York, Philadelphia, Phoenix and Washington, D.C. and partner gateways, including in London, Doha, Madrid, Seattle/Tacoma, Sydney and Tokyo (among others). We provide service to over 350 destinations around the world, and in 2025, approximately 224 million passengers boarded our flights. In 2025, we launched more than 60 new routes, including to trans-Atlantic destinations such as Spain, Italy and Greece. We also announced over 20 new routes for customers to explore in 2026, including our first trans-Atlantic route to be flown by the Airbus A321XLR from New York to Edinburgh, Scotland.

As of December 31, 2025, we operated 1,013 mainline aircraft supported by our wholly-owned regional airline subsidiaries and third-party regional carriers, which together operated an additional 567 regional aircraft. See Part I, Item 2. Properties for further discussion of our mainline and regional aircraft and *"Regional"* below for further discussion of our regional operations.

American is a founding member of the **one**world® Alliance, which brings together a global network of 15 world-class member airlines and their affiliates, working together to provide a superior and seamless travel experience. See *"Distribution and Marketing Agreements"* below for further discussion on the **one**world Alliance and other agreements with domestic and international airlines.

See Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – *"2025 Financial Overview," "AAG's Results of Operations"* and *"American's Results of Operations"* for further discussion of AAG's and American's operating results and operating performance. Also, see Note 1(m) to each of AAG's and American's Consolidated Financial Statements in Part II, Items 8A and 8B, respectively, for passenger revenue by geographic region and Note 13 to AAG's Consolidated Financial Statements in Part II, Item 8A and Note 12 to American's Consolidated Financial Statements in Part II, Item 8B for segment disclosures.

Regional

Our regional carriers provide scheduled air transportation under the brand name "American Eagle." The American Eagle carriers include our wholly-owned regional carriers Envoy Air Inc. (Envoy), PSA and Piedmont, as well as third-party regional carriers including Republic Airways Inc. (Republic) and SkyWest Airlines, Inc. (SkyWest). Our regional carriers are an integral component of our operating network. We rely heavily on regional carriers to serve small markets and also to drive connecting traffic to our hubs from markets that are not economical for us to serve with larger mainline aircraft. In addition, regional carriers offer complementary service in many of our mainline markets. All American Eagle carriers use logos, service marks, aircraft paint schemes and uniforms similar to those of our mainline operations. In 2025, 57 million passengers boarded our regional flights, approximately 42% of whom connected to or from our mainline flights.

Our regional carrier arrangements are principally in the form of capacity purchase agreements with our third-party regional partners and similar arrangements with our wholly-owned affiliates which provide that all revenues, including passenger, in-flight, ancillary, mail and freight revenues, go to us. We control marketing, scheduling, ticketing, pricing and seat inventories. In return, we agree to pay predetermined fees to these airlines for operating an agreed-upon number of aircraft, without regard to the number of passengers on board. In addition, these agreements provide that we either reimburse or pay 100% of certain variable costs, such as airport landing fees, fuel and passenger liability insurance.

Cargo

Our cargo division provides a wide range of freight and mail services, with facilities and interline connections available across the globe. In 2025, we served over 20,000 unique origin and destination pairs, transporting approximately 1.0 billion pounds of time-sensitive freight and mail throughout our network. We continue to focus on enhancements that enable us to better serve our customers, including moving to a new facility at London Heathrow Airport (LHR) to support further growth in this key market and expanding our digital offerings, which provide greater efficiency, increased accuracy, 24/7 access to search schedules, and the ability for our customers to check availability, retrieve rates and make bookings.

Distribution and Marketing Agreements

Passengers can purchase tickets for travel on American and American Eagle through several distribution channels, including our website (*www.aa.com*), our mobile app and our reservations centers, and through third-party distribution channels, including conventional travel agents, travel management companies and online travel agents (OTAs) (e.g., Expedia, including its booking sites Orbitz and Travelocity, and Booking Holdings, including its booking sites Kayak and Priceline). Additionally, American utilizes new distribution technologies such as IATA New Distribution Capability (NDC) technology, which we distribute our content to third parties through aggregators (e.g., Amadeus, Sabre, Travelport and Travelfusion) or through direct connections. NDC technology provides customers access to enhanced content and functionality, providing a simplified booking experience, and enabling us to provide more relevant, tailored offers to customers.

To remain competitive, we will need to successfully manage our distribution costs and rights, increase our distribution flexibility and improve the functionality of our distribution channels, while maintaining an industry-competitive cost structure. For more discussion, see Part I, Item 1A. Risk Factors – "*We rely on third-party distribution channels and must effectively manage the costs, rights and functionality of these channels*."

Member of oneworld Alliance

American is a founding member of the **one**world Alliance, which currently includes Alaska Airlines, British Airways, Cathay Pacific, Fiji Airways, Finnair, Iberia, Japan Airlines, Malaysia Airlines, Oman Air, Qantas Airways, Qatar Airways, Royal Air Maroc, Royal Jordanian Airlines and SriLankan Airlines. Hawaiian Airlines is expected to join the **one**world Alliance in 2026. The **one**world Alliance links the networks of member carriers and their respective affiliates to enhance customer service and provide smooth connections to the destinations served by the alliance, including linking member carriers' loyalty programs and providing reciprocal access to the carriers' airport lounge facilities.

Joint Business Agreements and Other Cooperation Agreements

American has established a transatlantic joint business with British Airways, Aer Lingus, Iberia and Finnair, a transpacific joint business with Japan Airlines and a joint business covering Australia and New Zealand with Qantas Airways. Joint business agreements enable the carriers involved to cooperate on flights between particular destinations and allow pooling and sharing of certain revenues and costs, enhanced loyalty program reciprocity and cooperation in other areas. Joint business agreements have become a common approach among major carriers to address key regulatory restrictions typically applicable to international airline service, including limitations on the foreign ownership of airlines and national laws prohibiting foreign airlines from carrying passengers beyond specific gateway cities.

We also have established strategic alliances with Alaska Airlines and Qatar Airways that deliver to our customers an improved network offering and enhanced loyalty program reciprocity, among other benefits.

In July 2010, in connection with a regulatory review related to our transatlantic joint business, we provided certain commitments to the European Commission (EC) regarding, among other things, the availability of take-off and landing slots at LHR or London Gatwick Airport (LGW). The commitments accepted by the EC were binding for 10 years. In anticipation of both the exit of the United Kingdom (UK) from the European Union (EU), commonly referred to as Brexit, and the expiration of the EC commitments in July 2020, the United Kingdom Competition and Markets Authority (CMA), in October 2018, opened an investigation into the transatlantic joint business. In September 2020 and April 2022, the CMA adopted interim measures that extend the EC commitments until March 2026 in light of the uncertainty and other impacts resulting from the COVID-19 pandemic. In August 2025, the CMA accepted binding commitments and closed the case. The commitments will replace the prior interim measures. The foregoing arrangements are important aspects of our international network, and we are dependent on the performance and continued cooperation of the other airlines party to those arrangements.

Marketing Relationships

To improve access to each other's markets, various U.S. and foreign air carriers, including American, have established marketing agreements with other airlines. These marketing agreements vary in scope and are intended to provide enhanced customer choice by means of an expanded network with loyalty program participation, but do not involve the same level of cooperation as our joint businesses or strategic alliances. As of December 31, 2025, in addition to the relationships described above, American had codeshare, marketing and/or loyalty program relationships with Air Tahiti Nui, China Southern Airlines Company Limited (China Southern Airlines), Etihad Airways, GOL Linhas Aéreas Inteligentes S.A. (GOL), Gulf Air, Hawaiian Airlines, IndiGo, JetSMART, Jetstar, Jetstar Japan, Korean Air Lines, Philippine Airlines, Porter Airlines and Vueling Airlines.

AAdvantage® Program

Our AAdvantage program was established to enhance passenger loyalty by offering benefits and rewards to travelers for their continued patronage with American and our partners. AAdvantage members enjoy exclusive benefits and earn AAdvantage mileage credits (miles) for flying on eligible tickets on American, American Eagle, any **one**world Alliance airline or other partner airlines. Along with AAdvantage miles, members also earn Loyalty Points, which unlock AAdvantage status and rewards for our AAdvantage members. For every dollar spent by flying on an eligible American ticket, members earn mileage credits, and AAdvantage Gold®, AAdvantage Platinum®, AAdvantage Platinum Pro® and AAdvantage Executive Platinum® status holders earn additional bonus mileage credits of 40%, 60%, 80% and 120%, respectively. Members also earn mileage credits and Loyalty Points by using the services of more than 1,000 non-flight partners, such as our co-branded credit cards, certain hotel, car rental and cruise companies and shopping and dining partners. The AAdvantage program in general, and our co-branded credit card programs in particular, are material assets of our business and have become increasingly important to our company over time. Starting in 2026, Citibank N.A. (Citi) became the exclusive issuer of the AAdvantage co-branded credit card portfolio in the U.S. Cash payments from co-branded credit card and other partners were $6.2 billion and $6.1 billion during 2025 and 2024, respectively. Cash remuneration in 2024 included a one-time cash payment related to the new co-branded credit card agreement announced in December 2024.

In July 2025, we extended our agreement with Mastercard pursuant to a new 10-year contract, under which Mastercard remains the exclusive payment network for our AAdvantage co-branded credit cards. We will enhance our AAdvantage program using Mastercard's payments infrastructure and analytics to deliver more personalized offers to AAdvantage members, optimize rewards and provide seamless, secure transactions. Mastercard's technology will power real-time fraud detection and optimize payments from booking to in flight. Additionally, AAdvantage members will have new ways to redeem miles for Mastercard's Priceless Experiences.

Mileage credits can be redeemed for travel and upgraded experiences on American and participating airlines, access to our Admirals Club® and Flagship Lounges®, or for other non-flight awards, such as car rentals, hotel stays, cruises and retail goods from our program partners. Travel awards are available on all flights operated by American and, subject to capacity-controlled seating, on flights operated by our partners. A member's mileage credits generally do not expire if that member has any type of qualifying activity at least once every 24 months or if the AAdvantage member is the primary holder of a co-branded credit card. AAdvantage members qualify for status over a 12-month period beginning on March 1 of each year by earning Loyalty Points. Status members can enjoy additional travel benefits of the AAdvantage program, including complimentary upgrades, checked bags, and Preferred and Main Cabin Extra seats, as well as priority check-in, security, boarding and baggage delivery when traveling on American, American Eagle, any **one**world Alliance airline or select partner airlines. In addition, AAdvantage members can unlock benefits, rewards and choices before, between and beyond the traditional status tiers with Loyalty Point Rewards. AAdvantage Business, our business loyalty program, rewards both eligible companies with AAdvantage miles and their travelers with additional Loyalty Points when booking business travel.

In 2025, the AAdvantage program was recognized for Best Customer Service and Best Redemption Ability in the Americas and the Citi®/AAdvantage® Platinum Select® World Elite Mastercard® co-branded credit card was recognized as the Best Loyalty Credit Card in the Americas at the 2025 Freddie Awards. The Freddie Awards recognize the best travel loyalty programs across the world and are based on votes from travelers.

Under our agreements with AAdvantage members and program partners, we reserve the right to change the terms of the AAdvantage program at any time and without notice. Program rules, partners, special offers, awards and requisite mileage levels for awards are subject to change.

During 2025, our members redeemed approximately 18 million awards, including travel redemptions for flights and upgrades on American, American Eagle and other air carriers, as well as redemption of car and hotel awards, club memberships and merchandise, among others. Approximately 9% of our 2025 total revenue passenger miles flown were from award travel.

See Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – "*Critical Accounting Policies and Estimates*" for more information on our loyalty program.

Industry Competition

Domestic

The markets in which we operate are highly competitive. On most of our domestic nonstop routes, we face competing service from other domestic airlines, including major network airlines, low-cost carriers and ultra-low-cost carriers such as Alaska Airlines, Allegiant Air, Delta Air Lines, Frontier Airlines, Hawaiian Airlines, JetBlue Airways, Southwest Airlines, Spirit Airlines and United Airlines. Between cities that require a connection, where the major airlines compete via their respective hubs, competition is significant. In addition, we face competition on some of our connecting routes from airlines operating point-to-point service. We also compete with all-cargo and charter airlines and, particularly on shorter segments, ground and rail transportation.

In general, beyond nonstop city pairs, carriers that have the greatest ability to seamlessly connect passengers to and from markets have a competitive advantage. In some cases, however, foreign governments limit U.S. air carriers' rights to transport passengers beyond designated gateway cities in foreign countries. In order to improve access to domestic and foreign markets, we have arrangements with other airlines including through the **one**world Alliance, joint business agreements and other cooperation agreements and marketing relationships, as further discussed herein.

On all of our routes, pricing decisions are affected, in large part, by the need to meet competition from other airlines. Price competition occurs on a market-by-market basis through price discounts, changes in pricing structures, fare matching, targeted promotions and loyalty program initiatives. Airlines typically use discounted fares and other promotions to stimulate traffic during normally weak travel periods, when they begin service to new cities, when they have excess capacity, to generate cash flow, to maximize revenue per available seat mile or to establish, increase or preserve market share. Most airlines will quickly match price reductions in a particular market, and we have often elected to match discounted or promotional fares initiated by other air carriers in certain markets in order to compete in those markets. In addition, we face pricing pressures from so-called ultra-low-cost carriers, such as Allegiant Air, Frontier Airlines and Spirit Airlines, which compete in many of the markets in which we operate.

In addition to price competition, airlines compete for market share by increasing the size of their route system and the number of markets they serve. The American Eagle regional carriers increase the number of markets we serve by flying to smaller markets and providing connections at our hubs. Many of our competitors also own or have agreements with regional airlines that provide similar services at their hubs and other locations. We also compete on the basis of scheduling (frequency and flight times), availability of nonstop flights, on-time performance, type of equipment, cabin configuration, amenities provided to passengers, loyalty programs, the automation of travel agent reservation systems, onboard products, health and safety, sustainability initiatives and other services.

International

In addition to our extensive domestic service, we provide international service to Canada, Mexico, the Caribbean, Central and South America, Europe, Qatar, China, Japan, South Korea, India, Australia and New Zealand. In providing international air transportation, we compete with other U.S. airlines, foreign investor-owned airlines and foreign state-owned or state-affiliated airlines. Competition has also been increasing from low-cost airlines executing international long-haul expansion strategies, a trend we expect to continue, in particular with the introduction of long-range narrowbody aircraft.

In order to increase our ability to compete in the market for international air transportation service, which is subject to extensive government regulation, U.S. and foreign carriers have entered into bilateral and multilateral marketing relationships, alliances, cooperation agreements and joint business agreements to exchange traffic among each other's flights and route networks. See "*Distribution and Marketing Agreements*" above for further discussion.

Sustainability

We aim to run a resilient, profitable enterprise that will thrive over the long term. Our strategy focuses on protecting the safety of team members and customers, attracting and developing top talent, providing a world-class travel experience and positioning American to compete in a low-carbon economy.

Safety

The safety of our customers and team members is a top priority. Our approach to safety is guided by our Federal Aviation Administration (FAA)-approved safety management systems (SMS), an organization-wide approach to identifying and managing risk. Each SMS is comprised of four components: Safety Policy, Safety Risk Management (SRM), Safety Assurance and Safety Promotion.

Our Safety Policy sets safety objectives while striving to comply with applicable regulatory requirements and laws in the countries where we operate, and it establishes standards for acceptable operational behaviors. The SRM element of our SMS provides a decision-making process for identifying hazards and mitigating risk based on a thorough understanding of our systems and their operating environment. We employ SRM whenever there is a change to our processes, procedures or operations, such as the delivery of new aircraft. The Safety Assurance component specifies how we validate the effectiveness of risk controls and the performance of the SMS using data to conduct quality assurance and internal oversight. Lastly, the Safety Promotion component of our SMS includes communications and training to keep heightened awareness among team members to identify and report potential safety concerns.

Our People

The airline business is labor intensive, and our team members are critical to delivering for our customers. The operational complexity of our business requires a team of personnel trained and experienced in a variety of technical areas such as flight operations, ground operations, safety and maintenance, customer service and airline scheduling and planning. Fostering a culture where our team members feel supported to take care of our customers is critical to our success. To do this, we must continue to hire the best and the brightest, ensure that people from all backgrounds are aware of the opportunities that exist in aviation, and create a culture where everyone can reach their full potential and thrive.

In 2025, mainline and regional salaries, wages and benefits were our largest expense and represented 38% of our total operating expenses. As of December 31, 2025, we had approximately 139,100 active full-time equivalent employees, approximately 86% of whom were represented by various labor unions responsible for negotiating the collective bargaining agreements (CBAs) governing their compensation and job duties, among other things.

Talent Development

We focus on providing our team members with the tools, training and resources they need to do their best work. We maintain a suite of programs aimed at helping our people develop the skills and experience they need to succeed in their roles and build rewarding, long-term careers within our company.

Our Culture

We seek to create a workplace where all perspectives and experiences are welcomed, valued and encouraged and where every individual, regardless of their national origin, religion, race, gender, sexual orientation or background, not only knows they belong, but that they can thrive at our company. Our goal is to make culture a competitive advantage so people will want to work with us, fly with us and invest in us. We believe in:

- Hiring, engaging and retaining the best and the brightest talent for growth;
- Delivering excellence in our operations to serve and expand our global markets;
- Striving to have our teams build connections and trust with all who fly with us; and
- Driving industry innovation to build competitive advantages.

Competitive Pay and Comprehensive Benefits

We seek to offer competitive pay, comprehensive benefits and a wide variety of resources designed to support the physical, behavioral and financial well-being of our team members and their families, including medical coverage that is intended to be affordable and flexible along with healthcare navigation and support tools.

Our internal recognition programs give team members and customers the opportunity to show their appreciation for a job well done, including through our Nonstop Thanks program whereby team members can award each other points for exceptional service or as an expression of gratitude. Recognition points earned through the Nonstop Thanks program can be redeemed for items in an online catalog. In 2025, our team members were recognized by customers, peers and company leaders approximately three million times. Additionally, approximately 1,000 peer nominations were submitted for the annual Circle of Excellence, the highest honor that we bestow upon our team members for their career achievements.

Our future success depends in large part on our ability to attract, develop and retain highly qualified management, technical and other personnel. We may not be successful in attracting, developing or retaining key personnel or other highly qualified personnel. In addition, competition for skilled personnel has intensified and may continue to intensify if overall industry capacity continues to increase and/or we were to incur attrition at levels higher than we have historically. For more discussion, see Part I, Item 1A. Risk Factors – *"The loss of key personnel whom we depend on to operate our business, or the inability to attract, develop and retain additional qualified personnel could adversely affect our business."*

Labor Relations

Labor relations in the air transportation industry are governed by the Railway Labor Act (RLA), which grants the National Mediation Board (NMB) with certain functions with respect to disputes between airlines and labor unions, including those relating to union representation and CBAs.

The following table shows our domestic airline employee groups that are represented by unions:

Union	Class or Craft	Employees [1]	Contract Amendable Date
Mainline:			
Allied Pilots Association (APA)	Pilots	14,970	2027
Association of Professional Flight Attendants (APFA)	Flight Attendants	26,400	2029
Airline Customer Service Employee Association – Communications Workers of America and International Brotherhood of Teamsters (CWA-IBT)	Passenger Service	13,030	2029
Transport Workers Union and International Association of Machinists & Aerospace Workers (TWU-IAM Association)	Mechanics and Related	13,040	2027
TWU-IAM Association	Fleet Service	19,460	2027
TWU-IAM Association	Stock Clerks	2,090	2027
TWU-IAM Association	Flight Simulator Engineers	150	2030
TWU-IAM Association	Maintenance Control Technicians	190	2027
TWU-IAM Association	Maintenance Training Instructors	100	2027
Professional Airline Flight Control Association (PAFCA)	Dispatchers	570	2025
Transport Workers Union (TWU)	Flight Crew Training Instructors	350	2031

Union	Class or Craft	Employees [1]	Contract Amendable Date
Envoy:			
Air Line Pilots Associations (ALPA)	Pilots	2,330	2029
Association of Flight Attendants-CWA (AFA)	Flight Attendants	2,350	2026
TWU	Ground School Instructors	10	2027
TWU	Mechanics and Related	1,370	2027
TWU	Stock Clerks	140	2027
TWU	Simulator Instructors	20	2026
TWU	Fleet Service	4,300	2026
TWU	Dispatchers	90	2025
Communications Workers of America (CWA)	Passenger Service	7,730	2026
Piedmont:			
ALPA	Pilots	840	2029
AFA	Flight Attendants	400	2026
International Brotherhood of Teamsters (IBT)	Mechanics and Related	540	2026
IBT	Stock Clerks	70	2026
CWA	Fleet and Passenger Service	6,750	2023
IBT	Dispatchers	40	2029
PSA:			
ALPA	Pilots	1,930	2028
AFA	Flight Attendants	1,370	2023
International Association of Machinists & Aerospace Workers (IAM)	Mechanics and Related	780	2027
IAM	Stock Clerks	160	N/A [2]
TWU	Flight Crew Training Instructors	50	N/A [2]
TWU	Dispatchers	60	2027

[1] Represents approximate number of active employees as of December 31, 2025.

[2] PSA stock clerks and certain PSA flight crew training instructors unionized in 2025 and are in active negotiations for their first CBA.

The CBA covering our mainline dispatchers is now amendable and we are engaged in negotiations. In January 2026, our mainline flight crew training instructors ratified a five-year agreement which is now amendable in 2031. Among our wholly-owned regional subsidiaries, Envoy dispatchers, Piedmont fleet and passenger service and PSA flight attendants have CBAs that are now amendable and we are engaged in negotiations.

For more discussion, see Part I, Item 1A. Risk Factors – "*Union disputes, employee strikes and other labor-related disruptions may adversely affect our operations and financial performance*."

Customers

We fly to over 350 destinations in the United States and internationally, and we are committed to providing our customers with a world-class travel experience. We continued to rigorously measure and track customer satisfaction through passenger surveys in 2025, efforts that led to further improvements in the services we provide and our customer experience. In 2025, we appointed a Chief Customer Officer to lead a newly created Customer Experience organization, which drives the strategy and coordinates the implementation of initiatives that enhance our customers' journeys. We continue to invest in the customer experience and our premium products and services, and in 2025, we advanced this strategy through the following:

- introduced the new premium Flagship Suite® on our Boeing 787-9s and Airbus A321XLRs and announced plans to expand this product to our Boeing 777 fleet;

- enhanced our inflight services with new food and beverage offerings as well as upgraded amenity kits;
- redesigned the American Airlines mobile application to better support customers with new features and a more intuitive, modern design;
- announced complimentary high-speed Wi-Fi sponsored by AT&T, exclusive to our AAdvantage members, which became effective in January 2026 on our narrowbody and dual-class regional fleets and will be available on nearly every American Airlines flight by spring 2026;
- opened the first Flagship® lounge in Philadelphia and debuted Provisions by Admirals Club℠ lounge in Charlotte, a first-of-its-kind space created for travelers on the go. We also announced plans to expand our premium lounge footprint with new Flagship® lounges in Miami and Charlotte and upgrades to our existing Admirals Club® lounges in Washington D.C, Miami and Charlotte; and
- established new partnerships, including with FIFA, U.S. Soccer and PGA of America, enabling American to connect customers to major events, including the FIFA World Cup 26™.

Environmental Sustainability

Our long-term goal is to reduce our GHG emissions to reach net-zero emissions by 2050. However, aviation remains a “hard to abate” industry, and it will require significant action and investments by governments, manufacturers and other stakeholders to achieve our goals. We are committed to working to improve the efficiency of our own operations, primarily through fleet renewal, and to partnering with other businesses, policymakers, scientists and innovators to scale alternative energy sources and propulsion systems with the potential to reduce our industry’s GHG emissions.

In 2025, we advanced a range of innovative initiatives aimed at reducing those emissions and minimizing environmental impacts across our operations.

- *Fleet renewal.* We continue to make our mainline fleet more efficient. In 2025, we took delivery of 40 latest-generation aircraft, including 23 Boeing 737-8 MAX, 11 Boeing 787-9, five Airbus A321XLR and one Airbus A321neo. We believe that the A321XLR, a longer-range version of the A321neo, will enable us to serve transatlantic markets using an estimated 10% less jet fuel per seat than current widebody aircraft due to latest-generation engines, improved aerodynamics and lighter weight materials. Since 2019, our fleet renewal and optimization efforts have led to an estimated 6.7% improvement in mainline fuel efficiency.
- *Fuel efficiency.* We achieved fuel savings through initiatives including flight optimization systems and programs to reduce on-the-ground fuel use. Our flight management system, which enables pilots to see real-time weather and other information in flight to inform adjustments to their flight paths, saved approximately 12.3 million gallons of fuel in 2025 and nearly 44 million gallons since we introduced it in late 2020. In 2025, we also began the reconfiguration of our Boeing 777-300ER fleet to add seats, which will result in a nearly 8% improvement in fuel efficiency per seat when the project is complete. Also in 2025, we significantly increased our use of single-engine taxi operations, saving 1.3 million gallons of jet fuel, a 25% increase over 2024.
- *Next-generation aircraft.* American has invested in ZeroAvia to help advance the development of its hydrogen fuel cell-powered electric aircraft engines. ZeroAvia’s technology uses green hydrogen to produce electricity through a catalytic chemical reaction, which then powers the motors of the aircraft. ZeroAvia is working to retrofit and linefit its powertrains to existing FAA-certified fixed-wing aircraft, a strategy aimed at simplifying the regulatory process and reducing time to market. American has also entered into a conditional purchase agreement for up to 100 engines, which we hope will ultimately allow us to retrofit and power aircraft like the Bombardier CRJ700 regional jet with ZeroAvia’s hydrogen-electric powertrain. In addition, we are an investor in and customer of Vertical Aerospace, thereby supporting the development of an emissions-free electric vertical takeoff and landing aircraft for passenger transportation. In 2025, Vertical Aerospace advanced its piloted prototype program from hover testing to high-speed wingborne flight.

- *Sustainable aviation fuel (SAF).* In 2025, we evaluated opportunities to maximize our contribution to accelerating the growth of the nascent SAF market. As a result, American and Alaska Airlines, in partnership with Breakthrough Energy Ventures and other **one**world carriers, led the launch of a new investment fund that seeks to accelerate the global development of long-term, lower emissions aviation fuel solutions designed to be cost effective and scalable. We also pursued the purchase of SAF in the voluntary market and in 2025, took delivery of more than 6.8 million gallons of SAF, which represents a small fraction of our overall fuel consumption but more than twice the volume of SAF we purchased voluntarily in 2024.

Aircraft Fuel

Our operations and financial results are materially affected by the availability and price of aircraft fuel, which represents one of the largest single cost items in our business. Based on our 2026 forecasted mainline and regional fuel consumption, we estimate that a one cent per gallon increase in the price of aircraft fuel would increase our 2026 annual fuel expense by approximately $50 million.

The following table shows annual aircraft fuel consumption and costs, including taxes, for our mainline and regional operations for 2025 and 2024 (gallons and aircraft fuel expense in millions).

Year	Gallons	Average Price per Gallon	Aircraft Fuel Expense	Percent of Total Operating Expenses
2025	4,488	$2.39	$10,718	20%
2024	4,391	$2.60	$11,418	22%

As of December 31, 2025, we did not have any fuel hedging contracts outstanding to hedge our fuel consumption. Our current policy is not to enter into transactions to hedge our fuel consumption, although we review this policy from time to time based on market conditions and other factors. As such, and assuming we do not enter into any future transactions to hedge our fuel consumption, we will continue to be fully exposed to fluctuations in aircraft fuel prices.

Aircraft fuel prices have in the past, and may in the future, experience substantial volatility. We cannot predict the future availability, price volatility or cost of aircraft fuel. For more discussion, see Part I, Item 1A. Risk Factors – "*Our business is very dependent on the price and availability of aircraft fuel. Continued periods of high volatility in fuel costs, increased fuel prices or significant disruptions in the supply of aircraft fuel could have a significant negative impact on consumer demand, our operating results and liquidity*."

Seasonality and Other Factors

Due to the greater demand for air travel during summer months, revenues in the airline industry exhibit seasonal patterns based on peak travel periods. General economic conditions, fears of terrorism or war, fare initiatives, fluctuations in fuel prices, labor actions, weather, natural disasters, outbreaks of disease, geopolitical factors and other factors could impact this seasonal pattern. Therefore, our quarterly results of operations are not necessarily indicative of operating results for the entire year, and historical operating results in a quarterly or annual period are not necessarily indicative of future operating results.

Domestic and Global Regulatory Landscape

General

Airlines are subject to extensive domestic and international regulatory requirements. Domestically, the U.S. Department of Transportation (DOT) and the FAA exercise significant regulatory authority over air carriers.

The DOT, among other things, oversees and regulates domestic and international codeshare agreements, international route authorities, competition and consumer protection matters including accessibility, the display and sharing of ancillary fee information and refund practices. The Antitrust Division of the Department of Justice, along with the DOT in certain instances, has jurisdiction over airline antitrust matters.

The FAA similarly exercises safety oversight and regulates most operational matters of our business, including how we operate and maintain our aircraft. FAA requirements cover, among other things, required technology and necessary onboard equipment; systems, procedures and training necessary to ensure the continuous airworthiness of our aircraft; safety measures and equipment; crew scheduling limitations and experience requirements; and many other technical aspects of airline operations. Additionally, our pilots and other employees are subject to rigorous certification standards, and our pilots and other crew members must adhere to flight time and rest requirements.

The FAA also controls the national airspace system, including operational rules and fees for air traffic control (ATC) services. The efficiency, reliability and capacity of the ATC network have a significant impact on our costs and on the timeliness of our operations.

The U.S. Postal Service has jurisdiction over certain aspects of the transportation of mail and related services.

Airport Access and Operations

Domestically, any U.S. airline authorized by the DOT is generally free to operate scheduled passenger service between any two points within the U.S. and its territories, with the exception of certain airports that require landing and take-off rights and authorizations (slots) and other facilities, and certain airports that impose geographic limitations on operations or curtail operations based on the time of day. Operations at three major domestic airports we serve (John F. Kennedy International Airport (JFK) and LaGuardia Airport (LGA) in New York City, and Ronald Reagan Washington National Airport (DCA) near Washington, D.C.) and many foreign airports we serve (including LHR) are regulated by governmental entities through allocations of slots or similar regulatory mechanisms that limit the rights of carriers to conduct operations at those airports. Each slot represents the authorization to land at and take off from the particular airport during a specified time period. In addition to slot restrictions, operations at DCA and LGA are also limited based on a so-called "perimeter rule" which generally limits the stage length of the flights that can be operated from those airports to 1,250 and 1,500 miles, respectively. Generally, our ability to retain slots is conditioned on the continued use of such slots, and in the absence of use, the slots are subject to forfeiture. In certain circumstances, such as during the COVID-19 pandemic, regulators may issue slot waivers which temporarily suspend or amend slot usage requirements, and we have used slot waivers at times to reduce flying levels during periods of reduced demand for travel. Moreover, the FAA has issued slot waivers for New York City area airports as a result of operational challenges arising from ATC staffing shortages; those waivers are now set to expire in October 2026. We cannot guarantee that such waivers will be made available to us, or that upon expiration or cancellation of such waivers, it will be economical for us to resume prior levels of flying to destinations where we have operated a reduced service. If we are forced to surrender slots or other rights, we may be unable to provide our desired level of service to or from certain destinations in the future. For more discussion, see Part I, Item 1A. Risk Factors – "*If we are unable to obtain and maintain adequate facilities and infrastructure throughout our system and, at some airports, adequate slots, we may be unable to operate our existing flight schedule and to expand or change our route network in the future, which may have a material adverse impact on our operations.*"

Our ability to provide service can also be impaired at airports where the airport gates and other facilities are currently inadequate to accommodate all of the service that we would like to provide, or where we have no access to gates at all.

Existing law also permits domestic local airport authorities to implement procedures and impose restrictions designed to abate noise, provided such procedures and restrictions do not unreasonably interfere with interstate or foreign commerce or the national transportation system. In some instances, these restrictions have caused curtailments in service or increases in operating costs.

Airline Fares, Taxes and User Fees

Airlines are permitted to establish their own domestic fares without governmental regulation. The DOT maintains authority over certain international fares, rates and charges, but only applies this authority on a limited basis. In addition, international fares, rates and charges are sometimes subject to the jurisdiction of the governments of the foreign countries which we serve.

Airlines are obligated to collect a federal excise tax, commonly referred to as the "ticket tax," on domestic and international air transportation, and to collect other taxes and charge other fees, such as foreign taxes, security fees and passenger facility charges. Although these taxes and fees are not our operating expenses, they represent an additional cost to our customers. These taxes and fees are subject to increase from time to time.

DOT Passenger Protection Rules

The DOT regulates airline interactions with passengers through the ticketing process, at the airport and onboard the aircraft. Among other things, these regulations govern how our fares are displayed online, required customer disclosures, access by disabled passengers, handling of long onboard flight delays and reporting of mishandled bags.

On September 4, 2025, the U.S. Government released its Unified Agenda of Regulatory and Deregulatory Actions, outlining planned priorities, timelines and policy directions across federal agencies. The agenda signals DOT's intent to roll back existing regulations, including the refund rule, ancillary fee rule, compensation rule, and wheelchair rule. DOT

has already begun taking action, such as rescinding an Advance Notice of Proposed Rulemaking titled *"Airline Passenger Rights,"* which sought comments on requiring airlines to provide cash compensation, free rebooking, meal coverage and overnight lodging with related transportation when disruptions are airline-caused.

International

International air transportation is subject to extensive government regulation, including aviation agreements between the U.S. and other countries or governmental authorities, such as the EU. Moreover, our alliances with international carriers may be subject to the jurisdiction and regulations of various foreign agencies. The U.S. Government has negotiated "open skies" agreements with more than 130 trading partners, which allow unrestricted route authority access between the U.S. and the foreign markets.

In addition, foreign countries impose passenger protection rules, which are analogous to, and often meet or exceed the requirements of, the DOT passenger protection rules discussed above. In cases where these foreign requirements exceed the DOT rules, we may bear additional burdens and liabilities. Further, various foreign airport authorities impose slot, noise and curfew restrictions at their local airports.

Security

All aspects of civil aviation and border security in the U.S. affecting U.S. carriers are controlled or regulated by the federal government through the Transportation Security Administration (TSA) and the U.S. Customs and Border Protection (CBP). The TSA is responsible for the security of the nation's transportation systems. The TSA's requirements for aviation security include, among other things, screening of passengers, baggage, cargo, mail, employees and vendors; carriage of federal air marshals at no charge; and continuous background checks of all employees and vendor employees with access to secure areas of airports. Funding for the TSA is provided by a combination of air carrier fees, passenger fees and taxpayer funds. The CBP is responsible for securing the nation's borders by combining customs, immigration and agricultural protection. The CBP regulatory requirements include the advanced transmission of reservation records, passport and cargo data to facilitate lawful travel and trade into the U.S. Funding for a portion of CBP operations is provided by a combination of fees collected by airlines. Our international service further requires us to comply with host government civil aviation security regimes and foreign border control authorities.

In addition to meeting TSA and CBP regulatory requirements, we support programs that enhance security, compliance and operational efficiency while improving the passenger experience. These initiatives include TSA's Touchless Identity Solution, which enables biometric identity verification at TSA security checkpoints, and CBP's Enhanced Passenger Processing program, which uses facial recognition to expedite border clearance. We also participate in TSA's One Stop Security pilot program to streamline security for connecting passengers and CBP's International Remote Baggage Screening program, which facilitates pre-clearance of baggage for arriving international travelers.

Environmental Matters

Environmental Regulation

The airline industry is subject to various environmental laws and regulations in the U.S. and other countries. U.S. federal laws with a particular effect on our operations include the Airport Noise and Capacity Act of 1990, the Clean Air Act, the Resource Conservation and Recovery Act, the Clean Water Act, the Safe Drinking Water Act and the Comprehensive Environmental Response, Compensation and Liability Act. The U.S. Environmental Protection Agency (EPA) and other federal agencies promulgate regulations that affect our operations. In light of recent announcements and actions by the U.S. Government to reconsider air- and climate-related regulations and policies, the impact of regulatory changes has become increasingly difficult to predict. Additionally, various states have been delegated certain authorities under these aforementioned federal statutes, and many state and local governments have adopted environmental laws and regulations that mirror or are more stringent than federal requirements.

Revised underground storage tank regulations issued by the EPA in 2015 have affected certain airport fuel hydrant systems, with modifications of those systems needed to comply with the revised regulations. As part of EPA and state regulations of storm water management, several U.S. airport authorities are trying to limit permitted discharges of deicing fluid into the environment, which can include requiring airlines to help build or reconfigure airport deicing facilities. Additionally, compliance with updated federal and state regulations governing firefighting foams require modifications to the fire suppression systems we operate, as well as those maintained by airports. On November 23, 2022, the EPA also published the final rule for particulate matter emission standards and test procedures for civil aircraft engines, which took

effect on December 23, 2022. These or similar regulations could result in increased compliance costs, but at this time we do not expect these costs to be material.

Environmental laws include those related to responsibility for potential soil and groundwater contamination. We are conducting ongoing investigation and remediation activities to address environmental conditions at several sites that may have been impacted by our historic operations, including airports and maintenance bases. We anticipate that the ongoing costs of those activities will not materially affect our operations.

We employ an environmental management system that provides a systematic approach for monitoring changes to and compliance with environmental regulations, and for managing a broad range of environmental issues, including air emissions, hazardous waste, underground tanks, and aircraft water quality.

Global and Domestic Regulation Related to Climate Change

Climate change-related regulatory activity and developments may adversely affect our business and financial results by requiring us to adapt to rapidly evolving domestic and international regulations and to achieve GHG emission reductions before cost-effective technologies are available. For example, such regulations may require us or our suppliers to make capital investments to purchase specific equipment or technologies, purchase SAF, pay taxes and fees or otherwise incur additional costs related to our emissions. These trends may also increase our operating costs, including fuel costs.

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)

CORSIA is an international, market-based emissions reduction program adopted by the International Civil Aviation Organization (ICAO) in 2016 and is intended to limit emissions in the international aviation sector from 2021 until 2035 through the purchase of eligible carbon offset credits or the use of eligible renewable fuels.

For each year from 2021 through 2032, CORSIA requires airlines to compensate for the growth of carbon dioxide (CO_2) emissions from the aviation sector, relative to a predetermined ICAO baseline. ICAO originally defined the baseline as the average emissions from covered flights in 2019 and 2020. However, due to the effect of the COVID-19 pandemic on air travel, in June 2020, ICAO removed 2020 from the baseline calculation for the CORSIA pilot phase (2021-2023). In October 2022, ICAO member countries agreed that 85% of 2019 emissions would be used as the baseline for the remainder of CORSIA's term (2024-2035).

The CORSIA program is being implemented in three phases: a pilot phase that ran from 2021 through 2023, followed by a first phase covering 2024 through 2026 and a second phase beginning in 2027 through 2035. ICAO member countries are expected to enact legislation to implement CORSIA. In December 2025, ICAO confirmed that governments participating in CORSIA are expected to inform airlines of their carbon emissions offsetting requirements for the first year (2024) of CORSIA's first phase in the near future.

Our future costs related to CORSIA compliance are uncertain due to a variety of factors, including the status of the U.S. Government's implementation of CORSIA with respect to the obligations of aircraft operators to purchase carbon offsets, uncertainty in the growth of covered CO_2 emissions, the supply and price of CORSIA-eligible carbon offset credits and the development of the market for eligible renewable fuels.

European GHG Emissions Regulations

On May 16, 2023, revisions to the EU Emissions Trading System (EU ETS) were published in the Official Journal of the EU. Under these revisions, the allocation of free emissions allowances to aircraft operators was phased out by the end of 2025. Also, by July 2026, the EC will have to undertake a review to determine whether CORSIA sufficiently delivers on the goals of the Paris Agreement. Depending on the outcome of that review, the EU may expand the scope of the EU ETS, which is currently limited to flights within the European Economic Area (EEA), to include any flight departing the EEA. Should the EU expand the EU ETS scope, there could be serious repercussions for our business and the broader industry, and our costs to comply with the EU ETS would likely be significant. The UK and Switzerland have similar emissions trading schemes that often align with the EU ETS; our compliance costs would further increase if both countries followed the EU in extending the scope of their regulation of GHG emissions from aviation.

The EU's ReFuelEU Aviation initiative, which creates a SAF blending mandate for aviation fuel suppliers, took effect January 1, 2025. This regulation requires fuel suppliers to blend minimum shares of SAF with petroleum jet fuel in the fuel delivered to aircraft operators at EU airports. The minimum requirements are 2% from 2025, 6% from 2030, 20% from 2035, 34% from 2040, 42% from 2045 and 70% from 2050. A specific proportion of the fuel mix (an average of 1.2% in

2030-2031, an average of 2% in 2032-2034, a minimum of 5% from 2035 and progressively reaching a minimum of 35% from 2050) must comprise synthetic fuels such as e-kerosene.

The UK also adopted a SAF mandate for aviation fuel suppliers, starting January 1, 2025, with minimum requirements that increase linearly from 2% in 2025, to 10% in 2030 and to 22% in 2040. The UK SAF mandate policy includes separate targets for e-kerosene (referred to under the obligation as power-to-liquid fuels), which start from 2028, and a cap, starting in 2027, on the amount of SAF made from hydrotreated fats and oils that fuel suppliers may use to reach the annual blending targets. Nearly all SAF produced today is made from hydrotreated fats and oils, and it is uncertain whether eligible SAF will be available to meet this requirement.

While we expect these requirements to increase our fuel costs, it remains uncertain by how much costs will rise, whether those costs can be passed on to customers, and, assuming they can, whether higher prices will affect customer demand. There is also uncertainty regarding how the EU and UK may implement the SAF mandates, including, the extent to which the relevant governments will change their existing policies or adopt new policies such as flexibility mechanisms for suppliers (e.g., book and claim) and revenue certainty programs for SAF producers.

Other countries have adopted, or are considering adopting, similar SAF blending mandates.

U.S. Emissions Standards for Aircraft Engines

In January 2021, the EPA adopted GHG emission standards for new aircraft engines, aligning with the 2017 ICAO aircraft engine GHG emission standards. Similar to the ICAO standards, the EPA's standards do not apply retroactively to engines on in-service aircraft. Pursuant to the Clean Air Act, the FAA issued a final rule in February 2024 to implement these standards, introducing new fuel efficiency certification regulations. These regulations, which took effect in April 2024, apply to airplanes manufactured after January 1, 2028, as well as to uncertified large business and commercial jet aircraft. Given announcements and actions by the U.S. Government to reconsider air- and climate-related regulations and policies, the future and impact of these new requirements remain uncertain.

For more information on our approach to climate change, see our 2024 Sustainability Report on our website *www.aa.com* available under "Sustainability." None of the information or contents under our "Sustainability" page, 2024 Sustainability Report, or our website are incorporated into this Annual Report on Form 10-K.

Impact of Regulatory Requirements on Our Business

Regulatory requirements, including but not limited to those discussed above, affect operations and increase operating costs for the airline industry, including our airline subsidiaries, and future regulatory developments may continue to do the same. For additional information, see Part I, Item 1A. Risk Factors – "*Evolving data privacy requirements (in particular, compliance with applicable federal, state and foreign laws relating to handling of personal information about individuals) could increase our costs, and any significant data privacy incident could disrupt our operations, harm our reputation, expose us to legal risks and otherwise materially adversely affect our business, results of operations and financial condition," "If we are unable to obtain and maintain adequate facilities and infrastructure throughout our system and, at some airports, adequate slots, we may be unable to operate our existing flight schedule and to expand or change our route network in the future, which may have a material adverse impact on our operations," "Our business is subject to extensive government regulation, which may result in increases in our costs, disruptions to our operations, limits on our operating flexibility, reductions in the demand for air travel, and competitive disadvantages," "The airline industry is heavily taxed,*" *"We are subject to many forms of environmental and noise regulation and may incur substantial costs as a result,"* and *"We are subject to risks associated with climate change, including increased regulation of our GHG emissions, changing consumer preferences and the potential for increased impacts of severe weather events on our operations and infrastructure."*

Available Information

Use of Websites to Disclose Information

Our website is located at *www.aa.com*. We have made, and expect in the future to make, public disclosures to investors and the general public of information regarding AAG and its subsidiaries by means of the investor relations section of our website as well as through the use of our social media sites, including Facebook and X. In order to receive notifications regarding new postings to our website, investors are encouraged to enroll on our website to receive automatic email alerts (see *https://americanairlines.gcs-web.com/email-alerts*), "follow" American (@AmericanAir) on X and "like" American on our Facebook page (*www.facebook.com/AmericanAirlines*). None of the information or contents of our website or social media postings is incorporated into this Annual Report on Form 10-K.

Availability of SEC Reports

A copy of this Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports are available free of charge on our website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The SEC also maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at *www.sec.gov*.

ITEM 1A. RISK FACTORS

Below are certain risk factors that may affect our business, results of operations and financial condition, or the trading price of our common stock or other securities. We caution the reader that these risk factors may not be exhaustive. We operate in a continually changing business environment, and new risks and uncertainties emerge from time to time. Management cannot predict such new risks and uncertainties, nor can it assess the extent to which any of the risk factors below or any such new risks and uncertainties, or any combination thereof, may impact our business.

Risks Related to our Business and Industry

Downturns in economic conditions could adversely affect our business.

Due to the discretionary nature of business and leisure travel spending and the highly competitive nature of the airline industry, our revenues are heavily influenced by the condition of the U.S. economy and economies in other regions of the world. Unfavorable conditions in these broader economies have resulted, and may result in the future, in decreased passenger demand for air travel, changes in booking practices and related reactions by our competitors, all of which in turn have had, and may have in the future, a strong negative effect on our business. Furthermore, our efforts to increase travel revenue share, including corporate and travel agency revenue share, may not succeed and competitive pressures and shifts in corporate travel preferences could impede our ability to grow this revenue, negatively affecting our business strategy and financial results.

We will need to obtain sufficient financing or other capital to operate successfully.

Our business plan contemplates continued significant investments related to our fleet, improving the experience of our customers, updating our facilities and deploying technology. Significant capital resources will be required to execute this plan. We estimate that, based on our commitments as of December 31, 2025, our planned aggregate expenditures for aircraft purchase commitments and certain engines on a consolidated basis for calendar years 2026 through 2030 would be approximately $17.5 billion. We may also require financing to refinance maturing obligations and to provide liquidity to fund other corporate requirements. Accordingly, we will need substantial liquidity, financing or other capital resources to finance such aircraft and engines and meet such other liquidity needs. It may be difficult for us to raise additional capital on acceptable terms, or at all, due to, among other factors: our substantial level of existing indebtedness; our non-investment grade corporate credit rating; volatile or otherwise unfavorable market conditions; and the availability of corporate assets to use as collateral for loans or other indebtedness. If we are unable to arrange any such required financing at customary advance rates and on terms and conditions acceptable to us, we may need to use cash from operations or cash on hand to purchase aircraft and engines or fund our other corporate requirements, or may seek to negotiate deferrals for such aircraft and engines with the applicable manufacturers or otherwise defer corporate obligations. Depending on numerous factors applicable at the time we seek capital, many of which are out of our control, such as the state of the domestic and global economies, the capital and credit markets' view of our prospects and the airline industry in general, prevailing interest rates, and the general availability of debt and equity capital, the financing or other capital resources that we will need may not be available to us, or may be available only on onerous terms and conditions. Furthermore, we hold significant balances of cash and short-term investments, including as necessary to conduct our day-to-day operations, some of which are held in deposit accounts at commercial banks in excess of the government-provided deposit insurance, which could lead to the loss of such excess balances. There can be no assurance that we will be successful in obtaining financing or other needed sources of capital to operate successfully or to fund our committed expenditures. An inability to obtain necessary financing on acceptable terms would limit our ability to execute necessary capital projects and would have a material adverse impact on our business, results of operations and financial condition.

Our high level of debt and other obligations may limit our ability to fund general corporate requirements and obtain additional financing, may limit our flexibility in responding to competitive developments and may cause our business to be vulnerable to adverse economic and industry conditions.

We have significant amounts of indebtedness and other financial obligations, including obligations to make future payments on flight equipment and property leases related to airport and other facilities, and substantial non-cancelable obligations under aircraft and related spare engine purchase agreements. Moreover, currently a very significant portion of our assets are pledged to secure our indebtedness. Our substantial indebtedness and other obligations, which are generally greater than the indebtedness and other obligations of our competitors, could have important consequences. For example, they may:

- make it more difficult for us to satisfy our obligations under our indebtedness;

- limit our ability to obtain additional funding for working capital, capital expenditures, acquisitions, investments and general corporate purposes, and adversely affect the terms on which such funding can be obtained;
- require us to dedicate a substantial portion of our liquidity or cash flow from operations to payments on our indebtedness and other obligations, thereby reducing the funds available for investment in our business and other purposes;
- make us more vulnerable to economic downturns, industry conditions and catastrophic external events, particularly relative to competitors with lower relative levels of financial leverage;
- significantly constrain our ability to respond, or respond quickly, to unexpected disruptions in our own operations, the U.S. or global economies, or the businesses in which we operate, or to take advantage of opportunities that would improve our business, operations, or competitive position versus other airlines;
- limit our ability to withstand competitive pressures and reduce our flexibility in responding to changing business and economic conditions;
- bear interest at floating rates, subjecting us to volatility in interest expenses as interest rates fluctuate;
- contain financial covenants, including the requirement to maintain an aggregate of at least $2.0 billion of unrestricted cash and cash equivalents and amounts available to be drawn under revolving credit facilities, as well as collateral coverage ratios and peak debt service coverage ratios;
- impact availability of borrowings under revolving lines of credit; and
- contain restrictive covenants that could, among other things:
    - limit our ability to merge, consolidate, sell assets, incur additional indebtedness, issue preferred stock, make investments and/or pay dividends; and
    - if breached, result in an event of default under our other indebtedness.

Any additional future financing may include the issuance of additional unsecured or secured debt securities, equity securities and equity-linked securities as well as additional bilateral and syndicated secured and/or unsecured credit facilities, among other items. There can be no assurance as to the timing of any such financing transactions, which may be in the near term, or that we will be able to obtain such additional financing on favorable terms, or at all. Any such actions may be material in nature, could result in the incurrence and issuance of significant additional indebtedness or equity and could impose significant covenants and restrictions to which we are not currently subject. The significant number of financings with respect to which such restrictive covenants and provisions apply subjects us to substantial risk of cross-default and cross-acceleration in the event of breach, and additional covenants and provisions could become binding on us should we seek additional liquidity in the future.

The obligations discussed above, including those imposed as a result of any additional financings we may undertake, could also impact our ability to obtain additional financing, if needed, and our flexibility in the conduct of our business, and could materially adversely affect our liquidity, results of operations and financial condition.

Further, a substantial amount of our long-term indebtedness bears interest at floating interest rates, which tend to fluctuate based on general short-term interest rates, rates set by central banks, the supply of and demand for credit in treasury markets and general economic conditions. We have not entered into any derivative transactions to hedge our interest rate exposure. Accordingly, our interest expense for any particular period will fluctuate based on the relevant benchmark rate and other variable interest rates. To the extent the interest rates applicable to our floating rate debt increase, our interest expense will increase, in which event we may have difficulties making interest payments and funding our other fixed costs, and our available cash flow for general corporate requirements may be adversely affected.

If our financial condition worsens, provisions in our credit card processing and other commercial agreements may adversely affect our liquidity.

We have agreements with companies that process customer credit card transactions for the sale of air travel and other services. These agreements allow these credit card processing companies, under certain conditions (including, for certain agreements, our failure to maintain certain levels of liquidity), to hold an amount of our cash (referred to as a holdback) equal to some or all of the advance ticket sales that have been processed by that credit card processor, but for which we

have not yet provided the air transportation. Additionally, those credit card processing companies may require cash or other collateral reserves to be established. These holdback requirements can be implemented at the discretion of the credit card processing companies upon the occurrence of specific events, including material adverse changes in our financial condition or the triggering of a liquidity covenant. The imposition of holdback requirements, up to and including 100% of relevant advanced ticket sales, would materially reduce our liquidity. Likewise, some of our other commercial agreements contain provisions that allow counterparties to impose less-favorable terms, including the acceleration of amounts due, in the event of material adverse changes in our financial condition. For example, we maintain certain letters of credit as well as insurance- and surety-related agreements under which counterparties may require collateral, including cash collateral.

The loss of key personnel whom we depend on to operate our business, or the inability to attract, develop and retain additional qualified personnel could adversely affect our business.

We believe that our future success will depend in large part on our ability to attract, develop and retain highly qualified management, technical and other personnel. We may not be successful in attracting, developing or retaining key personnel or other highly qualified personnel. In addition, competition for skilled personnel has intensified and may continue to intensify if overall industry capacity continues to increase and/or we were to incur attrition at levels higher than we have incurred historically. Any inability to attract, develop and retain significant numbers of qualified management and other personnel would have a material adverse effect on our business, results of operations and financial condition.

Our business has been and will continue to be materially affected by many changing economic, geopolitical, commercial, regulatory and other conditions beyond our control, including global events that affect travel behavior, and our results of operations could be volatile and fluctuate materially due to changes in such conditions.

Our business, results of operations and financial condition have been and will continue to be affected by many changing economic, geopolitical, commercial, regulatory and other conditions beyond our control, including, among others:

- actual or potential changes in international, national, regional and local economic, business and financial conditions, including recession, inflation and elevated interest rates;
- wars or other conflicts and escalations thereof, terrorist attacks and geopolitical instability;
- changes in consumer disposable income, preferences, perceptions, spending patterns and demographics;
- changes in the competitive environment due to industry consolidation, changes in airline alliance affiliations and changes in our or our competitors' commercial strategies;
- delays in scheduled aircraft deliveries, unexpected grounding of aircraft or aircraft engines by us or by regulators, or other loss of anticipated fleet capacity, and failure of new aircraft or aircraft-related equipment to receive regulatory approval, be produced or perform as and when expected;
- actual or potential disruptions to the U.S. National Airspace System (the ATC system), including due to a government shutdown;
- increases in costs of safety, security and environmental measures or costs of complying with new or more onerous consumer protection laws or regulations;
- increases in costs related to meeting our stated climate goals or obligations, including costs incurred to migrate to increase use of SAF in lieu of conventional aviation fuel;
- disruptions in global trade relations, such as increased tariffs or other trade barriers, that could create additional costs, new supply chain risks or a decrease in the demand for international air travel;
- increases in compliance burdens and costs associated with new and emerging national security regulations, including regulations related to access to certain categories of personal information;
- outbreaks of diseases or other public health or safety concerns that affect travel behavior, such as occurred during the COVID-19 pandemic; and

- adverse weather and natural disasters, including increases in frequency, severity or duration of such disasters, and related costs caused by more severe weather due to climate change.

An outbreak of any contagious disease, such as has occurred in the past with COVID-19, the Ebola virus, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu, Zika virus or any other similar illness, if it becomes associated with air travel or persists for an extended period, could materially affect the airline industry and us by reducing revenues and adversely impacting our operations and passengers' travel behavior. Governments could implement travel restrictions, including testing regimes, "stay at home" and quarantine orders, limitations on public gatherings, or cancellation of public events or take or mandate other actions that could significantly decrease demand for both domestic and international business and leisure travel. There can be no assurance that any mitigating actions we take in response will be sufficient to avert a deterioration in our business, financial condition and results of operations. As a result of these or other conditions beyond our control, our results of operations could be volatile and subject to rapid and unexpected changes.

The airline industry is intensely competitive and dynamic.

Our competitors include other major domestic airlines and foreign, regional and new entrant airlines, as well as joint ventures formed by some of these airlines, many of which have greater financial or other resources and/or lower cost structures than ours, as well as other forms of transportation, such as rail and private automobiles or alternatives to commuting or business travel including remote or flexible working policies and communication alternatives such as videoconferencing. In many of our markets, we compete with at least one low-cost carrier (including so-called ultra-low-cost carriers). Our revenues are sensitive to the actions of other carriers in many areas, including pricing, scheduling, capacity, fees (including cancellation, change and baggage fees), amenities, loyalty benefits and promotions, which can have a substantial adverse effect on our and industry revenues. These factors may become even more significant when the industry experiences large losses, as airlines under financial stress, or in bankruptcy, may institute pricing or fee structures intended to attract more customers to achieve near-term survival at the expense of long-term viability.

Low-cost carriers (including so-called ultra-low-cost carriers) have a profound impact on industry revenues. Using the advantage of low unit costs, these carriers offer lower fares in order to shift demand from larger, more established airlines, and represent significant competitors, particularly for customers who fly infrequently or are price sensitive and therefore tend not to be loyal to any one particular carrier. These low-cost carriers are attempting to continue to increase their market share through growth and consolidation and are expected to continue to affect our revenues and overall performance. We and several other large network carriers have implemented "Basic Economy" fares designed to more effectively compete against low-cost carriers, but we cannot predict whether these initiatives will be successful. Low-cost carriers may also implement, and in some cases have implemented, changes to their strategies or business models that could, and in some cases have, put them in more direct competition with network carriers. Moreover, we may have to compete with other carriers emerging from bankruptcy with lower cost structures. While historically these carriers have provided competition in domestic markets, we have recently experienced new competition from low-cost carriers on international routes, including low-cost airlines executing international long-haul expansion strategies, a trend likely to continue with the introduction of long-range narrowbody aircraft. Additionally, other carriers focused on premium passenger travel are attempting to implement growth strategies. The actions of existing or future carriers, including those described above, could have a material adverse effect on our operations and financial performance.

In certain instances, other air carriers operate scheduled service with a business model that relies on FAA Part 135, a regulatory environment that is generally less stringent than the rules applicable to our airline and similar airlines that operate under FAA Part 121, and which provides those airlines certain competitive advantages that Part 121 airlines cannot replicate. We have objected to the DOT and the TSA that the less stringent Part 135 rules were never intended as a basis for scheduled passenger service and that business model should not be permissible, and the agencies' review is ongoing. While both the DOT and the TSA are actively reviewing these operations, if they ultimately allow scheduled passenger service in any form under Part 135 and the actions of existing or future carriers using that business model, including those described above, it could adversely impact our business, financial condition and results of operations.

We provide air travel internationally directly as well as through joint businesses, strategic alliances, codeshare and similar arrangements to which we are a party. While our network is comprehensive, compared to some of our key global competitors, we generally have somewhat greater relative exposure to certain regions (for example, Latin America) and somewhat lower relative exposure to others (for example, Asia). Our financial performance relative to our key competitors will therefore be influenced significantly by macro-economic conditions in particular regions around the world and the relative exposure of our network to the markets in those regions, including the duration of any declines in demand for

travel to specific regions as a result of health emergencies, geopolitical instability or other factors, and the speed with which demand for travel to these regions returns.

Our international service exposes us to foreign economies and the potential for reduced demand when any foreign country we serve suffers adverse local economic conditions or if governments restrict commercial air services to or from any of these markets. In addition, "open skies" agreements, which are now in place with a substantial number of countries around the world, provide international airlines with open access to U.S. markets, potentially subjecting us to increased competition on our international routes. See also "*Our business is subject to extensive government regulation, which may increase our costs, disrupt our operations, limit our operating flexibility, reduce the demand for air travel, and create competitive disadvantages."*

To the extent alliances formed by our competitors can undertake activities not available to us, including regulatory approvals, access slots, gates and routes and other matters, our ability to effectively compete may be hindered. Our ability to attract and retain customers is dependent upon, among other things, our ability to offer our customers convenient access to desired markets. Our business could be adversely affected if we are unable to maintain or obtain alliance and marketing relationships with other air carriers in desired markets.

American has established a transatlantic joint business with British Airways, Aer Lingus, Iberia and Finnair, a transpacific joint business with Japan Airlines and a joint business relating to Australia and New Zealand with Qantas Airways. We have also established a strategic alliance with Alaska Airlines relating to certain routes and a strategic alliance relating to the Middle East with Qatar Airways. Legal challenges to our joint businesses and strategic alliances could negatively impact our operations and equity value, disrupt our strategic plans and affect our ability to offer competitive services in key markets. In July 2010, in connection with a regulatory review related to our transatlantic joint business, we provided certain commitments to the EC regarding, among other things, the availability of take-off and landing slots at LHR or LGW. The commitments accepted by the EC were binding for 10 years. In anticipation of both the exit of the UK from the EU, commonly referred to as Brexit, and the expiration of the EC commitments in July 2020, the CMA, in October 2018, opened an investigation into the transatlantic joint business. In September 2020 and April 2022, the CMA adopted interim measures that extend the EC commitments until March 2026 in light of the uncertainty and other impacts resulting from the COVID-19 pandemic. In August 2025, the CMA accepted binding commitments and closed the case. The commitments will replace the prior interim measures. These arrangements are important aspects of our international network, and we are dependent on the performance and continued cooperation of the other airlines party to those arrangements.

In December 2022, two putative class action lawsuits were filed in the U.S. District Court for the Eastern District of New York alleging that American and JetBlue violated U.S. antitrust law in connection with the previously disclosed Northeast Alliance arrangement. In February 2023, private party plaintiffs filed two additional putative class action antitrust complaints against American and JetBlue in the U.S. District Court for the District of Massachusetts and the U.S. District Court for the Eastern District of New York, respectively. All cases have since been consolidated in the U.S. District Court for the Eastern District of New York. We believe these complaints are without merit and are defending against them vigorously.

No assurances can be given as to any benefits that we may derive from any of the foregoing arrangements or any other arrangements that may ultimately be implemented, or whether regulators will, or if granted continue to, approve or impose material conditions on our business activities.

Other mergers and other forms of airline partnerships, including regulatory approvals such as antitrust immunity grants, may take place and may not involve us, or could result in unforeseen impacts on the industry generally and our company in particular. Depending on which carriers combine or integrate and which assets, if any, are sold or otherwise transferred to other carriers in connection with any such transactions, our competitive position relative to the post-transaction carriers or other carriers that acquire such assets could be harmed. In addition, as carriers combine through traditional mergers or integrate their operations through other arrangements, their route networks will grow, and that growth will result in greater overlap with our network, which in turn could decrease our overall market share and revenues. Such combination or collaboration is not limited to the U.S. but could include transactions among international carriers in Europe and elsewhere that result in broader networks offered by rival airlines.

Additionally, our AAdvantage program, which is an important element of our business, faces significant and increasing competition from the loyalty programs offered by other travel companies, as well as from similar loyalty benefits offered by banks and other financial services companies. Competition among loyalty programs is intense regarding the rewards, fees, required usage, and other terms and conditions of these programs. In addition, we have used certain assets from

our AAdvantage program as collateral for the AAdvantage Financing (defined in the accompanying notes to the consolidated financial statements to this Annual Report on Form 10-K), which contains covenants that impose restrictions on certain amendments or changes to certain of our AAdvantage program agreements provided as collateral under the AAdvantage Financing and other aspects of the AAdvantage program. These competitive factors and covenants (to the extent applicable) may affect our ability to attract and retain customers, increase usage of our loyalty program and maximize the revenue generated by our loyalty program. Further, we rely on partners to provide available space for mileage credit redemptions on their aircraft. Should partners not make available enough inventory within their cabins for our members, the attractiveness of our program may be decreased, potentially impacting customer loyalty and program revenue.

We may also be impacted by regulations affecting certain of our major commercial partners, including our co-branded credit card partner, or our loyalty program. For example, there has been bipartisan legislation proposed in Congress called the Credit Card Competition Act designed to increase credit card transaction routing options for merchants which, if enacted, could result in a material reduction of the fees levied on credit card transactions. Additionally, the executive branch recently proposed a temporary 10% cap on credit card interest rates and called on Congress to pass legislation establishing a cap. If either of these proposals were enacted through legislation or regulation, they could fundamentally alter the profitability of our agreement with our co-branded credit card partner and the benefits we provide to our consumers through the co-branded credit cards issued by our partner. The Consumer Financial Protection Bureau cautioned companies in December 2024 against what it views as illegal or unlawful credit card practices, including purported devaluation of earned points, hidden conditions and failure to deliver promised benefits. If regulatory or legislative efforts to impose restrictions on airline loyalty programs and regulations against credit card point devaluations were successful, they could materially reduce the revenues we derive from the AAdvantage program and adversely impact our results of operations.

Union disputes, employee strikes and other labor-related disruptions may adversely affect our operations and financial performance.

Relations between air carriers and labor unions in the U.S. are governed by the RLA. Under the RLA, CBAs generally contain “amendable dates” rather than expiration dates, and the RLA requires that a carrier maintain the existing terms and conditions of employment following the amendable date through a multi-stage and usually lengthy series of bargaining processes overseen by the NMB. As of December 31, 2025, approximately 86% of our employees were represented for collective bargaining purposes by labor unions, and 15% were covered by CBAs that are currently amendable or that will become amendable within one year. For the dates that the CBAs with our major work groups become amendable under the RLA, see *“Labor Relations”* under Part I, Item 1. Business – *“Sustainability – Our People*.”

In the case of a CBA that is amendable under the RLA, if no agreement is reached during direct negotiations between the parties, either party may request that the NMB appoint a federal mediator. The RLA prescribes no timetable for the direct negotiation and mediation processes, and it is not unusual for those processes to last for many months or even several years. If no agreement is reached in mediation, the NMB in its discretion may declare that an impasse exists and proffer binding arbitration to the parties. Either party may decline to submit to arbitration, and if arbitration is rejected by either party, a 30-day “cooling off” period commences. During or after that period, a Presidential Emergency Board (PEB) may be established, which examines the parties’ positions and recommends a solution. The PEB process lasts for 30 days and is followed by another 30-day “cooling off” period. At the end of this “cooling off” period, unless an agreement is reached or action is taken by Congress, the labor organization may exercise “self-help,” such as a strike, which could materially adversely affect our business, results of operations and financial condition.

None of the unions representing our employees presently may lawfully engage in concerted slowdowns or refusals to work, such as strikes, sick-outs or other similar activity, against us. Nonetheless, there is a risk that employees, either with or without union involvement, could engage in one or more concerted refusals to work that could individually or collectively harm the operation of our airline and impair our financial performance. Additionally, some of our unions have brought and may continue to bring grievances to binding arbitration, including those related to wages. If successful, there is a risk these arbitral avenues could result in material additional costs that we did not anticipate.

Personnel shortages, and general wage inflation have impacted and are expected to continue to impact our labor costs. We have agreements with the unions representing mainline pilots, flight attendants, passenger service team members, and mechanic and fleet service workgroups. These agreements include significant increases in pay and benefits compared to the prior agreements, in many cases in line with agreements concluded by our large network competitors with their unions. We remain in negotiations for other new labor agreements and anticipate that any new contracts we agree to with our labor groups will include increases in salaries and other benefits, which will increase our labor expense.

If we encounter problems with any of our third-party regional operators or third-party service providers, our operations could be adversely affected by a resulting decline in revenue or negative public perception about our services.

A significant portion of our regional operations are conducted by third-party operators on our behalf and are principally provided for under capacity purchase agreements. Due to our reliance on third parties to provide these essential services, we are subject to the risk of disruptions to their operations, which has in the past and may in the future result from many of the same risk factors disclosed in this report, such as the impact of adverse economic conditions, the inability of third parties to hire or retain skilled personnel, and other risk factors, such as an out-of-court or bankruptcy restructuring of any of our regional operators. Several of these third-party regional operators provide significant regional capacity that we would be unable to replace in a short period of time should that operator fail to perform its obligations to us. Disruptions to capital markets, labor difficulties, shortages of pilots, mechanics and other skilled personnel and adverse economic conditions in general have subjected certain of these third-party regional operators to significant financial pressures, which have in the past and may in the future lead to bankruptcies among these operators. Periods of volatility in travel demand have the potential to adversely affect our regional operators, some of whom may experience significant financial stress, declare bankruptcy or otherwise cease to operate. We may also experience disruption to our regional operations or incur financial damages if we terminate the capacity purchase agreement with one or more of our current operators or transition the services to another provider. Any significant disruption to our regional operations would have a material adverse effect on our business, results of operations and financial condition.

In addition, our reliance upon others to provide essential services on our behalf in our operations may result in our relative inability to control the efficiency and timeliness of contract services. We have entered into agreements with contractors to provide various facilities and services required for our operations, including distribution and sale of airline seat inventory, reservations, provision of information technology and services, regional operations, aircraft maintenance, fueling, catering, ground services and facilities and baggage handling. Similar agreements may be entered into in any new markets we decide to serve. These agreements are generally subject to termination after notice by the third-party service provider. We are also at risk should one of these service providers cease operations temporarily or permanently, and there is no guarantee that we could replace these providers on a timely basis with comparably priced providers, or at all. These third parties have faced challenges retaining and recruiting people with the appropriate skills to meet our requirements. We rely on the operation of complex supply chains and a large number of third parties for the procurement and fulfillment of parts, components, consumable or disposable goods and other products and services essential to our business. We cannot guarantee that, as a result of ongoing or future supply chain disruptions or staffing shortages, we, our third-party partners, or the airports we serve will be able to timely source all of the products and services we require in the course of our business, or that we will be successful in procuring suitable alternatives. Any material problems with the adequacy, efficiency and timeliness of contract services, resulting from financial hardships, personnel shortages or otherwise, could have a material adverse effect on our business, results of operations and financial condition.

Any damage to our reputation or brand image could adversely affect our business or financial results.

Maintaining a good reputation globally is critical to our business. Our reputation or brand image could be adversely impacted by, among other things, any failure to maintain high ethical, social and environmental sustainability practices for all of our operations and activities, our impact on the environment, public pressure from investors or policy groups to change our policies, customer perceptions of our advertising campaigns, sponsorship arrangements or marketing programs, customer perceptions of our use of social media, customer concerns in the nature of “greenwashing” allegations that may surround any of our advertising campaigns, marketing programs or commercial offerings related to our sustainability initiatives, or customer perceptions of statements made by us, our employees and executives, agents or other third parties. In addition, we operate in a highly visible industry that has significant exposure to social media. Negative publicity, including as a result of misconduct by our customers, vendors or employees, can spread rapidly through social media. Should we not respond in a timely and appropriate manner to address negative publicity, our brand and reputation may be significantly harmed. Damage to our reputation or brand image or loss of customer confidence in

our services could adversely affect our business and financial results, as well as require additional resources to rebuild our reputation.

Moreover, an outbreak and spread of an infectious disease could adversely impact consumer perceptions of the health and safety of travel, and in particular airline travel, such as occurred during the COVID-19 pandemic. Actual or perceived risk of infection on our flights could have a material adverse effect on the public's perception of us and may harm our reputation and business. We have in the past, and may in the future, be required to take extensive measures to reassure our team members and the traveling public of the safety of air travel, and we could incur significant costs implementing safety, hygiene-related or other actions to limit the actual or perceived threat of infection among our employees and passengers. However, we cannot assure that any actions we might take in response to an infectious disease outbreak will be sufficient to restore the confidence of consumers in the safety of air travel. We have experienced incidences of aggressive customer behavior and physical confrontation on our flights in the past, certain of which resulted in injuries to our personnel, and we may experience such behavior in the future. If our employees feel unsafe or believe that we are not doing enough to prevent and prosecute such incidents, we could experience higher rates of employee absence or attrition and we may suffer reputational harm which could make it more difficult to attract and retain employees, and which could in turn negatively affect our business, financial condition and results of operations.

We are at risk of losses and adverse publicity stemming from any public incident involving our company, our people or our brand, including any accident or other public incident involving our personnel or aircraft, or the personnel or aircraft of our regional, codeshare or joint business operators.

We are at risk of adverse publicity from any public incident involving our company, our people or our brand, particularly given the ease with which individuals can now capture and rapidly disseminate information via social media. Such an incident could involve the actual or alleged behavior of any of our employees, contractors or passengers. On January 29, 2025, American Eagle flight 5342 was involved in a fatal accident in Washington, D.C. The Bombardier CRJ700 aircraft operated by PSA was en route to Washington, D.C. from Wichita, Kansas, when it was involved in a midair collision near Ronald Reagan Washington National Airport. We estimate that the accident reduced first quarter 2025 total operating revenues by approximately $200 million, and the families of multiple passengers have filed lawsuits against the U.S. Government, PSA and American seeking unspecified damages. If other aircraft in our fleet or aircraft operated under our brand, were to be involved in an accident, or if our personnel, one of our aircraft, a type of aircraft in our fleet, or the personnel or aircraft of one of our regional operators or an airline with which we have a marketing alliance, joint business or codeshare relationship were to be involved in a public incident, accident, catastrophe or regulatory enforcement action, we could be exposed to significant reputational harm and potential legal liability. The insurance we carry may be inapplicable or inadequate to cover any such incident, accident, catastrophe or action. In the event that our insurance is inapplicable or inadequate, we may be forced to bear substantial losses from an incident or accident. In addition, any such future incident, accident, catastrophe or action involving our personnel, one of our aircraft (or personnel and aircraft of our regional operators, marketing alliance, joint business and codeshare partners), or a type of aircraft in our fleet could create an adverse public perception, which could harm our reputation, result in air travelers being reluctant to fly on our aircraft or those of our regional operators, marketing alliance, joint business or codeshare partners, and adversely impact our business, results of operations and financial condition.

Changes to our business model that are designed to increase revenues and reduce costs may not be successful and may cause operational difficulties or decreased demand.

We have in the past instituted, and intend to institute in the future, changes to our business model designed to increase revenues and offset costs. These measures include further segmentation of the classes of service we offer, such as Premium Economy service and Basic Economy service, enhancements to our AAdvantage program, charging separately for services that had previously been included within the price of a ticket, changes to our practices and contracts with providers of distribution systems to provide additional content flexibility, commercial practices related to ticket distribution channels, including efforts by us to migrate an increasing portion of our customers to our modern, direct distribution channels in lieu of third party channels, changing (whether it be increasing, decreasing or eliminating) other pre-existing fees, reconfiguration of our aircraft cabins, and efforts to optimize our network including by focusing growth on a limited number of large hubs and entering into agreements with other airlines. For example, in 2020, we eliminated change fees for most domestic and international tickets, which has reduced our change fee revenue, a trend which is expected to continue assuming this policy remains in place. In addition, during the second quarter of 2024 we concluded that certain changes to our distribution strategy contributed to softness in customer bookings relative to our expectations and we reversed many of these measures late in the quarter, and in 2026, we stopped charging for Wi-Fi on most aircraft for AAdvantage members. We may introduce additional initiatives in the future; however, as time goes on, we expect that it will be more difficult to identify and implement additional initiatives. We cannot assure that these measures or any future

initiatives will be successful in increasing our revenues or offsetting our costs. Additionally, the implementation of these initiatives may create logistical challenges that could harm the operational performance of our airline or result in decreased demand. Also, our implementation of any new or increased fees, or changes to the operation of or benefits offered by our loyalty program, could reduce the demand for air travel on our airline or across the industry in general, particularly if weakened economic conditions make our customers more sensitive to increased travel costs or provide a significant competitive advantage to other carriers that determine not to institute similar changes. Such changes could result in adverse brand perceptions, reputational harm or regulatory scrutiny. If regulatory or legislative efforts to impose restrictions on airline loyalty programs were successful, they could materially reduce the revenues we derive from the AAdvantage program and adversely impact our results of operations.

Our intellectual property rights, particularly our branding rights, are valuable, and any inability to protect them may adversely affect our business and financial results.

We consider our intellectual property rights, particularly our branding rights such as our trademarks applicable to our airline and AAdvantage program, to be a significant and valuable aspect of our business. We protect our intellectual property rights through a combination of trademark, copyright and other forms of legal protection, contractual agreements and policing of third-party misuses of our intellectual property. Our failure to obtain or adequately protect our intellectual property or any change in law that lessens or removes the current legal protections of our intellectual property may diminish our competitiveness and adversely affect our business and financial results. Any litigation or disputes regarding intellectual property may be costly and time-consuming and may divert the attention of our management and key personnel from our business operations, either of which may adversely affect our business and financial results.

In addition, we use certain of our branding and intellectual property as collateral for various financings, including the AAdvantage Financing, which contain covenants that impose restrictions on the use of such intellectual property and, in the case of the AAdvantage Financing, on certain amendments or changes to our AAdvantage program. These covenants may have an adverse effect on our ability to use such intellectual property.

We may be a party to litigation in the normal course of business or otherwise, which could affect our financial position and liquidity.

From time to time, we are a party to or otherwise involved in legal proceedings, claims and government inspections or investigations and other legal matters, both inside and outside the United States, arising in the ordinary course of our business or otherwise. We are currently involved in various legal proceedings and claims that have not yet been fully resolved, and additional claims may arise in the future. Legal proceedings can be complex and take many months, or even years, to reach resolution, with the final outcome depending on a number of variables, some of which are not within our control. Litigation is subject to significant uncertainty and may be expensive, time-consuming, and disruptive to our operations. Although we will vigorously defend ourselves in such legal proceedings, their ultimate resolution and potential financial and other impacts on us are uncertain. For these and other reasons, we may choose to settle legal proceedings and claims, regardless of their actual merit. If a legal proceeding is resolved against us, it could result in significant compensatory damages, and in certain circumstances punitive or trebled damages, disgorgement of revenue or profits, remedial corporate measures or injunctive relief imposed on us. If our existing insurance does not cover the amount or types of damages awarded, or if other resolution or actions taken as a result of the legal proceeding were to restrain our ability to operate or market our services, our consolidated financial position, results of operations or cash flows could be materially adversely affected. In addition, legal proceedings, and any adverse resolution thereof, can result in adverse publicity and damage to our reputation, which could adversely impact our business. Additional information regarding certain legal matters in which we are involved can be found in Note 11(e) to AAG's Consolidated Financial Statements in Part II, Item 8A and Note 10(e) to American's Consolidated Financial Statements in Part II, Item 8B.

We rely heavily on technology and automated systems, including AI, to operate our business and any failure of these technologies or systems could harm our business, results of operations and financial condition.

We are highly dependent on existing and emerging technology and automated systems, including AI, to operate our business. These technologies and systems include but may not be limited to our computerized airline reservation system, flight operations and crew scheduling systems, financial planning, management and accounting systems, telecommunications systems, website, maintenance systems and check-in kiosks. In order for our operations to work efficiently, our website and reservation system must be able to accommodate a high volume of traffic, maintain secure information and deliver flight information, as well as issue electronic tickets and process critical financial information in a timely manner. Substantially all of our tickets are issued to passengers as electronic tickets. We depend on our reservation system, which is hosted and maintained under a long-term contract by a third-party service provider, to be

able to issue, track and accept these electronic tickets. If our technologies or automated systems are not functioning or if our third-party service providers were to fail to adequately provide technical support, system maintenance or timely software upgrades for any one of our key existing systems, we could experience service disruptions or delays, which could harm our business and result in the loss of important data, increase our expenses and decrease our revenues. Furthermore, certain critical aspects of our operation rely on legacy technological systems which may grow more difficult or expensive to support and maintain over time, and such systems may fail to perform as required or become more vulnerable to malfunction or failure over time. In the event that one or more of our primary technology or systems vendors goes into bankruptcy, ceases operations or fails to perform as promised, replacement services may not be readily available on a timely basis, at competitive rates or at all, and any transition time to a new system may be significant.

Our aircraft employ a number of sophisticated radio and satellite-based navigation and safety technologies, and we are subject to risks associated with the introduction or expansion of technologies that could interfere with the safe operation of these flight systems. For example, telecommunications companies are expanding and increasing the commercial and consumer applications of 5G cellular communication networks, and regulators, manufacturers and operators have expressed concerns that certain 5G applications could interfere with certain flight systems. In December 2021, the FAA issued a special airworthiness information bulletin (SAIB), in which it indicated that further testing and assessment is needed regarding the effects of 5G on certain aircraft equipped with radar altimeters, which measure the aircraft's altitude and guide pilots during landings. While the FAA and the telecommunications industry reached an agreement to delay the full implementation of 5G deployment near airports until 2028, there could be future impacts once the current agreement expires. Additionally, there has been an increase in the reported use of jamming or "spoofing" technologies by bad actors intended to disrupt the operation of GPS navigation and other flight systems by relaying fake or erroneous flight information and signals to crews. These technologies could pose risks to the safe operation of aircraft by diverting pilots' attention and potentially resulting in operational disruptions.

Our technologies and automated systems are not completely protected against events that are beyond our control, including natural disasters, power failures, terrorist attacks, cyberattacks, data theft, defects, errors, equipment and software failures, computer viruses or telecommunications failures. For example, the CrowdStrike-caused systems outage in July 2024 significantly impacted airline operations, including our own, and forced several carriers to ground flights for a prolonged period and incur significant costs associated with reaccommodating and compensating affected passengers. Similarly, in September 2025, hundreds of our flights were delayed or cancelled out of Dallas/Fort Worth International Airport (DFW) when FAA fiberoptic cables were accidentally cut by a third party. When service interruptions occur as a result of any of the aforementioned events, we address them in accordance with applicable laws, rules and regulations. However, substantial or sustained system failures could cause service delays or failures and result in our customers purchasing tickets from other airlines. We cannot assure that our security measures, change control procedures or disaster recovery plans are adequate to prevent disruptions or delays. Disruption in or changes to these technologies or systems could result in a disruption to our business and the loss of important data. Any of the foregoing could result in a material adverse effect on our business, results of operations and financial condition.

Additionally, new technologies, such as the use of AI and machine learning, present evolving and significant legal and operational risks for us and our third-party vendors. We use AI and machine learning technologies, including those licensed from third parties, in our technologies and our ability to continue to use such technologies at the scale may depend on access to specific third-party software and infrastructure. We cannot control the availability or pricing of such third-party AI and machine learning technologies, especially in a highly competitive environment, and we may be unable to negotiate favorable economic terms with the applicable providers. If any such third-party AI and machine learning technologies become incompatible with our solutions or are unavailable for use, or if the providers of such models unfavorably change the terms on which their AI technologies are offered or terminate their relationship with us, our solutions may become less appealing to our customers, and our business will be harmed. In addition, to the extent any third party AI and machine learning technologies are used as a hosted service, any disruption, outage, or loss of information through such hosted services could disrupt our operations or solutions, damage our reputation, cause a loss of confidence in our solutions, or result in legal claims or proceedings, for which we may be unable to recover damages from the affected provider.

We expect that increased investment will be required in the future to continuously improve our use of AI (including generative AI) and machine learning technologies. As with many technological innovations, there are significant risks involved in developing, maintaining and deploying these technologies and there can be no assurance that the usage of our investments in such technologies will always enhance our products or services or be beneficial to our business, including our efficiency or profitability. Additionally, the development of generative AI technologies is complex, with practical and competitive challenges in achieving desired accuracy, efficiency and reliability. Generative AI training

content, algorithms, models, software and other related systems may have limitations, including biases, errors or inability to process or restrict certain data types or scenarios. In particular, if the models underlying our AI and machine learning technologies are incorrectly designed or implemented, or used without sufficient oversight and governance to ensure their responsible use, the performance of our business, as well as our reputation could suffer or we could incur liability resulting from the violation of laws or contracts to which we are a party or civil claims. Further, there is a risk of system failures, disruptions or vulnerabilities compromising the confidentiality of personal data and intellectual property, or the integrity or availability of training content, input content and prompts, as well as generated content, including disinformation and deepfakes. Use of AI technologies could also expose us to intellectual property risks, such as allegations of infringement of third-party patents or copyrights, which could result in significant fees or damages. Our competitors or other third parties may incorporate AI into their products or services more quickly or more successfully than us, which could impair our ability to compete effectively. AI also presents emerging ethical issues, and if our use of AI becomes controversial, we may experience brand or reputational harm, competitive harm or legal liability. For example, with the increased use of AI and social media, adverse publicity, even if unfounded, can be disseminated quickly and broadly without context, making it increasingly difficult for us to effectively respond. The rapid evolution of AI, including existing and proposed government regulation, may require significant resources to develop, test and maintain our AI technologies and services to ensure compliance and minimize adverse impacts. Any limitations or failures relating to any of the foregoing could result in reputational damage, legal liabilities or loss of customer confidence. There can be no assurance that the usage of AI will enhance our strategies or initiatives.

Evolving data privacy requirements (in particular, compliance with applicable federal, state and foreign laws relating to handling of personal information about individuals) could increase our costs, and any significant cybersecurity incident could disrupt our operations, harm our reputation, expose us to legal risks and otherwise materially adversely affect our business, results of operations and financial condition.

In the normal course of our business, we collect, process, use and disclose personal information about individuals and rely on third party service providers to host or otherwise process personal information. Many federal, state and foreign governmental bodies and agencies have adopted, or are considering adopting, laws and regulations that impose limits on the collection, processing, use, disclosure and security of personal information about individuals. In some cases, such laws and regulations can be enforced by private parties in addition to government entities. In addition, privacy advocacy and industry groups may propose new and different self-regulatory standards or guidance that may legally or contractually apply to us and our vendors. These non-uniform laws, regulations, standards and guidance are complex and currently evolving and can be subject to significant change and interpretation, and may be inconsistently applied and enforced from one jurisdiction to another.

Our business requires the secure processing and storage of personal information relating to our customers, employees, business partners and others, and other data such as confidential information. However, like any global enterprise operating in today's digital business environment, we and our third party service providers have experienced cybersecurity incidents and data breaches. We react and respond to these cybersecurity incidents in accordance with the applicable legal requirements, our own cybersecurity protocols, as well as our commercial partners' standards (as appropriate), but we cannot ensure that our responses (or those of our partners and service providers) will be sufficient to prevent or mitigate the potential adverse impacts of these cybersecurity incidents, which may be material.

There has been heightened legislative and regulatory focus on AI, data privacy and cybersecurity in the U.S., EU, U.K., China and elsewhere, particularly with respect to critical infrastructure providers, including those in the transportation sector. For example, in March 2024, the DOT launched a privacy review of the ten largest U.S. airlines' collection, handling, maintenance and use of passengers' personal information, indicating the DOT may seek to increase its regulation, investigation, and enforcement of airlines' privacy practices, including ours. As a result, we must comply with a proliferating and fast-evolving set of legal requirements in this area, including substantive data privacy and cybersecurity standards as well as requirements for notifying regulators and affected individuals in the event of a cybersecurity incident. In addition, we are subject to an increasing number of reporting obligations in respect of certain cybersecurity incidents. These reporting requirements have been proposed or implemented by a number of regulators in different jurisdictions, may vary in their scope and application, and could contain conflicting requirements. Certain of these rules and regulations may require us to report a cybersecurity incident before we have been able to fully assess its impact or remediate the underlying issue. Efforts to comply with such reporting requirements could divert management's attention from our cybersecurity incident response and could potentially reveal system vulnerabilities to threat actors. Failure to timely report cybersecurity incidents under these rules could also result in regulatory investigations, litigation, monetary fines, sanctions, or subject us to other forms of liability.

Additionally, in 2024, the National Security Division of the Department of Justice (DOJ) issued a new rule, referred to as the "Data Security Program" (DSP), to implement Executive Order 14117 aimed at preventing access to "bulk U.S. sensitive personal data" and "government-related data" by "countries of concern" (including China, Russia, Iran, North Korea, Cuba, and Venezuela) and so-called "covered persons." The DSP imposes stringent obligations on companies that engage in transactions with persons and companies with a connection to countries of concern including by prohibiting or restricting certain data transfers and data transactions. The DSP is new, complex and has yet to be enforced, and as such, there is a risk that our interpretation of its applicability, scope, and requirements is incorrect, incomplete, or misapplied. Compliance with the DSP may require us to invest heavily in data security and compliance measures, such as implementing and complying with certain security requirements and guidelines and other burdensome recordkeeping, reporting, and auditing requirements. It may also require us to implement new processes, stop or restrict certain data transfers, alter the geographic scope of our operations, cease doing business with certain third parties or using certain tools or vendors, or change how data flows throughout our business, any of which could materially impact our business operations or hinder our ability to grow our business. Finally, non-compliance with the DSP could result in significant civil or criminal penalties, which could materially adversely affect our business, results of operations, and financial condition.

Even though we believe we and our third-party service providers are generally in compliance with applicable laws, rules and regulations relating to AI, data privacy and security, the regulatory environment is increasingly challenging as AI, data privacy and cybersecurity laws, rules, regulations, industry standards and other requirements are continually developing. These changing requirements, along with their evolving application, interpretation, and amendment, may present material obligations and risks to our business, including significantly expanded compliance burdens, costs and enforcement risks.

In addition, many of our commercial partners, including credit card companies, have imposed data security standards that we must meet. In particular, we are required by the Payment Card Industry Security Standards Council, founded by the credit card companies, to comply with their highest level of data security standards (the Payment Card Industry Data Security Standard (PCI DSS)). While we and our service providers continue our efforts to meet these standards, new and revised standards may be imposed that may be difficult for us to meet and could increase our costs, and if we are unable to comply with revised standards, we may be subject to fines, restrictions or other liability, which could materially and adversely affect our business. Moreover, it is not guaranteed that PCI DSS compliance will prevent illegal or improper use of our payment systems or the theft, loss or misuse of payment card data or transaction information.

Litigation, claims and enforcement related to data privacy, biometrics and other provisions of state privacy laws may involve new interpretations of privacy laws. There has also been a noticeable increase in class actions in the U.S. wherein plaintiffs have utilized a variety of laws, including state wiretapping laws, in relation to companies' use of tracking technologies, such as cookies and pixels. Compliance with these laws and regulations may be inconsistent from jurisdiction to jurisdiction, increasing the cost of compliance and our risk of liability from litigation. Any litigation, claims or enforcement actions to which we are or become a party could potentially result in substantial monetary damages or fines, and negative reputational impacts that cause us to lose existing or future customers, which could materially adversely affect our business, results of operations and financial condition.

We are exposed to risks from cyberattacks, and any cybersecurity incidents involving us, our third-party service providers, or one of our AAdvantage partners or other business partners, could materially adversely affect our business, results of operations and financial condition.

Significant cybersecurity incidents involving us, our third-party service providers, or one of our AAdvantage partners or other business partners, have in the past and may in the future result in a range of potentially material negative consequences for us, including unauthorized access to, disclosure, modification, misuse, loss or destruction of company systems or data; theft of sensitive, regulated or confidential data, such as personal information or our intellectual property; the loss of functionality of critical systems through ransomware, denial of service or other cyberattacks; a diminished ability to retain or attract new customers; a deterioration in our relationships with business partners and other third parties; interruptions or failures in our technology systems; and business delays, service or system disruptions, damage to equipment and injury to persons or property. The methods used to obtain unauthorized access, disable or degrade service or sabotage systems are constantly evolving and may be difficult to anticipate or to detect for long periods of time. The constantly changing nature of the threats means that we cannot and have not been able to prevent all data security breaches or misuse of data, and there is a risk that our security measures will not be fully effective in the future. Similarly, we depend on the ability of our key commercial partners, including AAdvantage partners, other business partners, our regional carriers, distribution partners and technology vendors, to conduct their businesses in a manner that complies with applicable security standards and ensures their ability to perform on a timely basis. A security failure, including a failure to meet data security requirements, breach or other significant cybersecurity incident affecting one of our partners,

interruptions or failures in our technology systems, could result in potentially material negative consequences for us, including loss of critical data, service interruptions, delays in operations, and the potential for fines, restrictions and expulsion from credit card acceptance programs. In addition, we use third party service providers to help us deliver services to customers. These service providers may store personal information, credit card information and/or other confidential information. Such information has been and will be the target of unauthorized access or subject to security breaches because of third-party action, employee error, malfeasance or otherwise. Any of these could (a) result in the loss of information, litigation, indemnity obligations, expensive and inconsistent cybersecurity incident and data breach notification requirements, damage to our reputation, regulatory scrutiny, and other liability, or (b) have a material adverse effect on our business, financial condition and results of operations.

The threat of cybersecurity incidents continues to increase as the frequency, intensity and sophistication of cyberattacks and intrusions increase around the world. The rapid evolution and increased adoption of AI and machine learning technologies may increase certain cybersecurity risks. To the extent AI and/or machine learning capabilities improve and are increasingly adopted, they may be used to identify vulnerabilities and craft increasingly sophisticated cybersecurity attacks. Vulnerabilities may be introduced from the use of AI and/or machine learning by us, our counterparties, vendors and other business partners and third-party providers.

Diverse threat actors, such as state-sponsored organizations, opportunistic hackers and hacktivists, as well as diverse attack vectors such as social engineering/phishing, use of AI techniques such as deepfakes, malware (including ransomware), malfeasance by insiders, human or technological error, denial of service attacks or exploitation of vulnerabilities, threaten the confidentiality, integrity, and availability of our and our third party service providers' and business partners' information systems, personal information and confidential information. For example, starting in 2025, a sophisticated and well-known threat actor began targeting the aviation industry using social engineering tactics. Geopolitical issues also continue to increase our cybersecurity risk and potential for cybersecurity incidents, for example, the conflict involving Russia and Ukraine, which has resulted in a heightened risk of cyberattacks against companies like ours that have operations, vendors and/or supply chain providers located in or around the region of conflict or are otherwise related to the conflict. Despite ongoing efforts to maintain and improve the security of our information systems and digital information, individuals, including employees, contractors, and external threat actors, may be able to circumvent the security measures we put in place, and we may be unable to anticipate new techniques used for these attacks and intrusions, such as the use of AI applications, and implement adequate preventative measures. We, our business partners and service providers have been the target of cybersecurity attacks in the past and expect that we, our business and service partners, will continue to experience cybersecurity incidents in the future.

The costs and operational consequences of defending against, preparing for, responding to and remediating a cybersecurity incident are substantial. As cybersecurity incidents become more frequent, intense and sophisticated, costs of proactive defense measures are increasing. Further, we could be exposed to litigation, regulatory enforcement or other legal action as a result of an incident, carrying the potential for damages, fines, sanctions or other penalties, as well as injunctive relief and enforcement actions requiring costly compliance measures. The airline industry, including other large airlines, have suffered a significant number of data privacy and cybersecurity incidents and these incidents have resulted in substantial adverse financial consequences to those companies. A cybersecurity incident could also impact our brand, including that of the AAdvantage program, harm our reputation and adversely impact our relationship with our customers, employees and stockholders. The increased regulatory focus on data privacy practices apart from how personal information is secured, such as how personal information is collected, used for marketing purposes, and shared with third parties – including with our AAdvantage and other business partners – also may require changes to our processes and increase compliance costs. There is also an increased risk to our business in the event of a significant cybersecurity or data privacy violation, including additional compliance costs, reputational harm, disruption to the manner in which we provide our services, including the geographies we service, and being subject to complaints and/or regulatory investigations, significant monetary liability, fines, penalties, regulatory enforcement, individual or class action lawsuits, public criticism, loss of customers, loss of goodwill or other additional liabilities, such as claims by industry groups or other third parties. Accordingly, failure to appropriately address data privacy and cybersecurity issues could result in material financial and other liabilities and cause significant reputational harm to our company.

New U.S. and international tax legislation may adversely affect our financial condition, results of operations and cash flows.

We are subject to taxation at the federal, state and local levels in the United States, as well as taxation in international jurisdictions in which we operate. New taxes, rates and charges may be imposed from time to time that significantly increase our costs, reduce revenues or otherwise negatively impact our results of operations. The U.S. Government may enact significant changes to the taxation of business entities. For example, on July 4, 2025, the "One, Big, Beautiful Bill Act" (OBBBA), was signed into law, permanently extending many of the business tax provisions originally introduced in the 2017 Tax Cuts and Jobs Act. If, in the future, any additional changes to tax laws are implemented or new regulations and other IRS guidance are issued impacting existing tax laws, such changes or new regulations may give rise to new costs or other issues that we did not foresee. We are currently unable to predict the ultimate impact of any such changes or new regulations may have on our business and therefore there can be no assurance our business will not be adversely affected.

In recent years, numerous legislative, judicial and administrative changes have been made to international tax laws applicable to us and similar companies. The Organization for Economic Co-operation and Development (OECD) has issued numerous announcements regarding fundamental changes in allocation of profits among tax jurisdictions in which companies do business, as well as the implementation of a global minimum tax, referred to as the "Pillar One" and "Pillar Two" proposals. Many countries in which we operate have enacted or are in the process of enacting laws based on the Pillar Two proposal. On June 28, 2025, the G7 nations issued a statement indicating the G7's commitment to a side-by-side system that would fully exclude U.S. parented groups from certain aspects of the Pillar Two framework in respect of both their domestic and foreign profits. On January 5, 2026, more than 145 countries in the OECD/G20 Inclusive Framework agreed to have U.S.-headquartered companies remain subject to only U.S. global minimum taxes while exempting them from Pillar Two. This side-by-side agreement recognizes the tax sovereignty of the United States over the worldwide operations of U.S. companies and the tax sovereignty of other countries over business activity within their own borders. However, the precise contours of this side-by-side agreement as well as the details about its implementation by specific jurisdictions are uncertain. Therefore, even with this agreement, our effective tax rate and cash tax payments could increase in future years from efforts related to a global minimum tax.

We have a significant amount of goodwill, which is assessed for impairment at least annually. In addition, we may never realize the full value of our intangible assets or long-lived assets, causing us to record material impairment charges.

Goodwill and indefinite-lived intangible assets are not amortized, but are assessed for impairment at least annually, or more frequently if conditions indicate that an impairment may have occurred. In accordance with applicable accounting standards, we first assess qualitative factors to determine whether it is necessary to perform a quantitative impairment test. In addition, we are required to assess certain of our other long-lived assets for impairment if conditions indicate that an impairment may have occurred.

Future impairment of goodwill, intangible assets or other long-lived assets could be recorded in results of operations as a result of changes in assumptions, estimates, or circumstances, some of which are beyond our control. There can be no assurance that a material impairment charge of goodwill or tangible or intangible assets will be avoided. The value of our aircraft could be impacted in future periods by changes in supply and demand for these aircraft. Such changes in supply and demand for certain aircraft types could result from grounding of aircraft by us or other airlines, including as a result of significant or prolonged declines in demand for air travel and corresponding reductions to capacity. We can provide no assurance that a material impairment loss of tangible or intangible assets will not occur in a future period; for example, we have previously incurred significant impairment charges associated with our decision to retire certain aircraft as a result of the severe decline in demand for air travel due to the COVID-19 pandemic, and the risk of future material impairments remains uncertain. Such impairment charges could have a material adverse effect on our business, results of operations and financial condition.

The commercial relationships that we have with other companies, including any related equity investments, may not produce the returns or results we expect.

An important part of our strategy to expand our network has been to initiate or expand our commercial relationships with other airlines, such as by entering into global alliance, joint business and codeshare relationships, and, in certain instances, including China Southern Airlines, GOL and JetSMART, by agreeing to make an equity investment in another airline in connection with initiating or expanding such a commercial relationship. We may explore additional investments in, and joint ventures and strategic alliances with, other carriers as part of our global business strategy. We face competition in forming and maintaining these commercial relationships since there are a limited number of potential

arrangements and other airlines are looking to enter into similar relationships, and our inability to form or maintain these relationships, or inability to form as many of these relationships as our competitors, may have an adverse effect on our business. Any such existing or future investment could involve significant challenges and risks, including that we may not realize a satisfactory return on our investment, if any, or that they may not generate the expected revenue synergies, and they may distract management focus from our operations or other strategic options. We may also be subject to consequences from any illegal conduct of joint business partners as well as to any political or regulatory change that negatively impacts or prohibits our arrangements with any such business partners. In addition, volatility in demand for air travel, could materially disrupt our partners' abilities to provide air service, the timely execution of our strategic operating plans, including the finalization, approval and implementation of new strategic relationships or the maintenance or expansion of existing relationships. For example, in August 2025, the U.S. Federal Bankruptcy Court for the Southern District of New York approved GOL's plan of reorganization, and as a result, we have lost substantially all of the value of our equity investment in GOL. If any other carriers with which we partner or in which we hold an equity stake were to cease trading or be declared insolvent, we could lose the value of any such investment or experience significant operational disruption. These events could have a material adverse effect on our business, results of operations and financial condition.

We may also from time-to-time pursue commercial relationships with companies outside the airline industry, which relationships may include equity investments or other financial commitments. Any such relationship or related investment could involve unique risks, particularly where these relationships involve new industry participants, emerging technologies or industries with which we are unfamiliar.

Our business is very dependent on the price and availability of aircraft fuel. Continued periods of high volatility in fuel costs, increased fuel prices or significant disruptions in the supply of aircraft fuel could have a significant negative impact on consumer demand, our operating results and liquidity.

Our operating results are materially impacted by changes in the availability, price volatility and cost of aircraft fuel, which represents one of the largest single cost items in our business and thus is a significant factor in the price of airline tickets. Market prices for aircraft fuel have fluctuated substantially over the past several years and prices continue to be highly volatile, with market spot prices ranging from a low of approximately $1.83 per gallon to a high of approximately $3.82 per gallon during the period from January 1, 2023 to December 31, 2025. Aircraft fuel prices reflect not only the price of underlying crude oil, but also the price charged to refine crude oil into aircraft fuel (often referred to as the "crack spread"), transportation costs, handling costs and taxes, and increases in any of these underlying components would increase the price we ultimately pay for aircraft fuel.

Because of the very large amount of fuel needed to operate our business, even a relatively small increase or decrease in the price of fuel can have a material effect on our operating results and liquidity. Due to the competitive nature of the airline industry and unpredictability of the market for air travel, we can offer no assurance that we may be able to increase our fares, impose fuel surcharges or otherwise increase revenues or decrease other operating costs sufficiently to offset fuel price increases. Similarly, we cannot predict actions that may be taken by our competitors in response to changes in fuel prices.

We cannot predict the future availability, price volatility or cost of aircraft fuel, weather-related events, natural disasters (including hurricanes or similar events in the U.S. Southeast and on the Gulf Coast where a significant portion of domestic refining capacity is located), terrorism, political disruptions, disputes, or armed conflicts involving oil-producing countries or impacting global trade routes, changes in production levels of individual nations or associations of oil-producing states, economic sanctions imposed against oil-producing countries or specific industry participants, changes in fuel-related governmental policy, the strength of the U.S. dollar against foreign currencies, changes in the cost to refine, transport or store petroleum products and any related staffing or transportation equipment shortages, changes in access to petroleum product pipelines and terminals, speculation in the energy futures markets, changes in aircraft fuel production capacity, unplanned interruptions or disruption of production at refineries, environmental concerns and other unpredictable events, may result in fuel supply shortages, variations in the applicable crack spread, distribution challenges, additional fuel price volatility and cost increases in the future. Any of these factors or events could cause a disruption in, or increased demands on, oil production, refinery operations, pipeline capacity or terminal access, and possibly result in significant increases in the price of aircraft fuel and diminished availability of aircraft fuel supply. Additionally, because passengers often purchase tickets well in advance of their travel, a significant rapid increase in fuel price may result in the fare charged not covering that increase. At times in the past, we were not able to increase our fares to offset fully the effect of increases in fuel costs, and we may not be able to do so in the future.

Our aviation fuel purchase contracts generally do not provide meaningful price protection against increases in fuel costs. Our current policy is not to enter into transactions to hedge our fuel consumption, although we review this policy from time to time based on market conditions and other factors. Accordingly, as of December 31, 2025, we did not have any fuel hedging contracts outstanding to hedge our fuel consumption. As such, and assuming we do not enter into any future transactions to hedge our fuel consumption, we will continue to be fully exposed to fluctuations in fuel prices. See also the discussion in Part II, Item 7A. Quantitative and Qualitative Disclosures About Market Risk – *"Aircraft Fuel."*

In addition, as part of our emissions reduction goals, we and other airlines have publicly announced long-term targets for the increased use of SAF in our operation. Currently, industrial production of SAF is small in scale and inadequate to meet growing industry demand, and while additional production capacity is expected to become operational in the coming years, we anticipate that competition for SAF among industry participants will remain intense. As a result, SAF may be significantly more costly than conventional jet fuel. To secure future SAF supply, we have entered into multiple agreements for the purchase of future SAF production, and we continue to engage with producers regarding potential future SAF purchases, which may include investments and other commitments to support these producers. Certain existing or potential future agreements pertain to SAF production from facilities that are planned but not yet financed, and which may utilize technology that has not been proven at commercial scale. There is no assurance that these facilities will be built or that they will meet contracted production timelines and volumes. In the event that the SAF is not delivered on schedule or in sufficient volumes, there can be no assurance that we will be able to source a supply of SAF sufficient to meet our stated goals, or that we will be able to do so on favorable economic terms.

Our business is subject to extensive government regulation, which may increase our costs, disrupt our operations, limit our operating flexibility, reduce the demand for air travel, and create competitive disadvantages.

Airlines are subject to extensive domestic and international regulatory requirements. In the last several years, the U.S. executive branch, Congress and state and local and foreign governments have issued orders, passed laws, and launched regulatory initiatives, and federal agencies, including but not limited to the DOT, the FAA, the TSA, the Centers for Disease Control, the DOJ, and their respective international counterparts have issued regulations and a number of other directives that affect the airline industry. These requirements impose substantial costs on us and restrict the ways we may conduct our business.

For example, the FAA from time-to-time issues directives and other regulations relating to the maintenance and operation of aircraft that require significant expenditures or operational restrictions. These requirements can be issued with little or no notice, or can otherwise impact our ability to efficiently or fully utilize our aircraft, and in some instances have resulted in the temporary or prolonged grounding of aircraft or engine types altogether including, for example, the March 2019 grounding of all Boeing 737 MAX Family aircraft, which was not lifted in the United States until November 2020, the January 2024 grounding of 737-9 MAX aircraft (a model we do not operate), and the significant limitations imposed on the use of Pratt & Whitney GTF aircraft engines on certain Airbus aircraft (an engine we do not use in our fleet), or otherwise caused substantial disruption and resulted in material costs to us and lost revenues. In 2023, the telecom industry rolled out 5G technology, and concerns were raised by the FAA regarding its possible interference with aircraft navigation systems, which resulted in regulatory uncertainty and the potential for operational impacts, including possible suspension of service to certain airports or the operation of certain aircraft. Although the issue was resolved through an agreement between the FAA, the FCC, and telecommunications industry, that agreement expires in 2028 and will need to be extended or modified. Additionally, the passage of OBBBA included the requirement for the FCC to auction additional spectrum, which could lead to new impacts on aviation. See "*We rely heavily on technology and automated systems, including AI, to operate our business and any failure of these technologies or systems could harm our business, results of operations and financial condition."* The FAA also exercises comprehensive regulatory authority over nearly all technical aspects of our operations. Our failure to comply with such requirements has in the past and may in the future result in fines and other enforcement actions by the FAA or other regulators. In the future, any new regulatory requirements, particularly requirements that limit our ability to operate or price our products, could have a material adverse effect on us and the industry.

In May 2024, Congress passed a five-year funding authorization for the FAA (FAA Authorization Renewal). Among other things, the FAA Authorization Renewal increased the authorized funding level for the FAA and required the hiring of additional air traffic controllers, an effort to address staffing and resource shortages and improve the operation of the ATC system in the U.S. The FAA Authorization Renewal also codified several consumer protection rulemakings that could be challenging to implement and have negative financial impacts. Any new or enhanced requirements resulting from the FAA Authorization Renewal, including any new fees, costs we may be required to incur to comply with new rules and compensation or other penalties we may be required to pay for violations of such rules, have the potential to increase our

costs or adversely impact our operation. The OBBBA included $12.5 billion in additional funding for ATC infrastructure and modernization. While this recent law and new funding should lead to ATC improvements, there is uncertainty on how and when the funding will be spent and if there will be any operational impacts as certain systems and infrastructure are modernized.

DOT consumer rules, and rules promulgated by certain comparable agencies in other countries we serve, dictate procedures for many aspects of our customer's journey, including at the time of ticket purchase, at the airport and onboard the aircraft. For example, in April 2024, the DOT issued a final rule mandating refunds in certain circumstances (refund rule), and a final rule requiring disclosure of certain ancillary fees by air carriers and travel agents (ancillary fee rule). Also in December 2024, the DOT published a final rule on "Ensuring Safe Accommodations for Air Travelers with Disabilities Using Wheelchairs" which sets new standards for assistance, mandates hands-on training for airline employees and contractors who physically assist passengers with disabilities and handle passengers' wheelchairs, and specifies actions that airlines must take to protect passengers when a wheelchair is damaged or delayed during transport. Individual requirements in the final rule have varying implementation timelines, ranging from January 16, 2025 (the effective date of the final rule) to June 17, 2026 (wheelchair rule). On September 4, 2025, the Trump Administration released its Unified Agenda of Regulatory and Deregulatory Actions, outlining planned priorities, timelines, and policy directions across federal agencies. The agenda signals DOT's intent to roll back existing regulations, including the refund rule, ancillary fee rule, compensation rule, and wheelchair rule. DOT has already begun taking action, such as rescinding an Advance Notice of Proposed Rulemaking titled *"Airline Passenger Rights,"* which sought comments on requiring airlines to provide cash compensation, free rebooking, meal coverage, and overnight lodging with related transportation when disruptions are airline-caused.

The Aviation and Transportation Security Act mandates the federalization of certain airport security procedures and imposes additional security requirements on airports and airlines, most of which are funded by a per-ticket tax on passengers and a tax on airlines. Present and potential future security requirements may impose costs and inconvenience on travelers, potentially reducing the demand for air travel.

Similarly, there are a number of legislative and regulatory initiatives and reforms at the state and local levels in the U.S. that may affect airlines. These initiatives include increasingly stringent laws to protect the environment, wage/hour requirements, mandatory paid sick or family leave and healthcare mandates. These laws could affect our relationship with our workforce and the vendors that serve our airline and cause our expenses to increase without an ability to pass through these costs. In recent years, the airline industry has experienced an increase in litigation over the scope of the application of state and local employment laws to the airline industry. Application of these laws may result in operational disruption, increased litigation risk and impact our negotiated labor agreements. For example, we are currently involved in legal proceedings in California and other states concerning alleged violations of state labor laws including, among other things, overtime pay and violations of certain meal and rest break laws, and an adverse determination in any of these cases could adversely impact our operational flexibility and result in damages and fines, which could potentially be significant.

The results of our operations, demand for air travel and the manner in which we conduct business each may be affected by changes in law and future actions taken by governmental agencies, including:

- changes in law that affect the services that airlines can offer in particular markets and at particular airports, or the types of fares offered or fees that can be charged to passengers;
- the granting and timing of certain governmental approvals (including antitrust or foreign government approvals) needed for codesharing alliances, joint businesses and other arrangements with other airlines, and the imposition of regulatory investigations or commencement of litigation related to any of the foregoing;
- restrictions on competitive practices (for example, court orders, or agency regulations or orders, that would curtail an airline's ability to respond to a competitor);
- the adoption of new passenger security standards or regulations that impact customer service standards;
- restrictions on airport operations, such as restrictions on the use of slots at airports or the auction or reallocation of slot rights we currently hold;
- the adoption of more restrictive locally-imposed noise restrictions;
- the institution of airspace and overflight closures and restrictions; and

- restrictions on travel or special guidelines regarding aircraft occupancy or hygiene in response to outbreaks of illness, including the imposition of preflight testing regimes or vaccination confirmation requirements that have in the past and may in the future have the effect of reducing demand for air travel in the markets where such requirements are imposed.

Each additional regulation or other form of regulatory oversight increases costs and adds greater complexity to airline operations and, in some cases, may reduce the demand for air travel. There can be no assurance that the increased costs or greater complexity associated with our compliance with new rules, anticipated rules or other forms of regulatory oversight will not have a material adverse effect on us. Any significant reduction in air traffic capacity at and in the airspace serving key airports in the U.S. or overseas could have a material adverse effect on our business, results of operations and financial condition. In addition, the ATC system has not to date modernized sufficiently to meet the growing demand for U.S. air travel. Air traffic controllers rely on outdated procedures and technologies that routinely compel airlines, including ourselves, to fly inefficient routes or take significant delays on the ground. The ATC system's inability to manage existing travel demand, including due to staffing shortages, has led government agencies to implement short-term capacity constraints during peak travel periods or adverse weather conditions in certain markets, causing delays and disruptions of air traffic. The outdated technologies also cause the ATC system to be less resilient in the event of a failure, and past system disruptions have resulted in large-scale flight cancellations and delays. We experienced this challenge in January 2023 when an outage in the ATC Notice to Air Missions system led to a nationwide ground-stop for nearly two hours, resulting in significant operational disruption throughout the day, and in September 2025 when a local outage severely reduced traffic in the Dallas metropolitan area.

Even though the OBBBA includes $12.5 billion in additional funding for ATC infrastructure and modernization, the outcome of this initiative remains uncertain. For example, in the early 2000s, the FAA embarked on a path to modernize the national airspace system, including migration from the current radar-based ATC system to a GPS-based system. This modernization of the ATC system, generally referred to as "NextGen," has been plagued by delays and cost overruns, and it remains uncertain when the full array of benefits expected from this modernization will be available to the public and the airlines, including ourselves. Failure to update the ATC system and the substantial costs that may be imposed on airlines, including ourselves, to fully fund a modernized ATC system may have a material adverse effect on our business.

Our operating authority in international markets is subject to aviation agreements between the U.S. and the respective countries or governmental authorities, such as the EU, and in some cases, fares and schedules require the approval of the DOT and/or the relevant foreign governments. Moreover, alliances with international carriers may be subject to the jurisdiction and regulations of various foreign agencies. The U.S. government has negotiated "open skies" agreements with more than 130 trading partners. These agreements allow unrestricted route authority access between the U.S. and the foreign markets. While the U.S. has worked to increase the number of countries with open skies agreements, a number of significant markets, including China, do not have open skies agreements. In other instances, where there are open skies agreements, countries fail to fully implement the agreements or take actions that contravene the agreements. In these instances, we may be unable to fully realize the benefit of "open skies" agreements in foreign markets. In addition, bilateral and multilateral agreements among the U.S. and various foreign governments of countries we serve but which are not covered by an open skies treaty are subject to periodic renegotiation. We currently operate a number of international routes under government arrangements that limit the number of airlines permitted to operate on the route, the capacity of the airlines providing services on the route, or the number of airlines allowed access to particular airports. If an open skies policy were to be adopted for any of these markets, it could adversely impact us and could impair our related tangible and intangible assets. In addition, competition from foreign airlines, revenue-sharing joint ventures, joint business agreements, and other alliance arrangements by and among other airlines could impair the value of our business and assets on the open skies routes.

We can be adversely affected by any prolonged U.S. Government shutdown.

A prolonged disruption in U.S. federal government operations, including lapses in appropriations or extended continuing resolutions, has in the past and could in the future materially and adversely affect our business, financial condition and results of operations. When government agencies reduce or suspend operations, aviation system regulators—including the FAA and the TSA—may experience staffing constraints, furloughs, curtailed activities, and related operational limitations. In the fourth quarter of 2025, conditions led to mandated schedule reductions, strained air traffic control and security screening resources, reduced air traffic capacity at key U.S. airports, and increased delays and cancellations.

Shutdown-related uncertainty can also dampen both business and leisure travel demand and slow booking trends, causing short-term business challenges. In addition, curtailed FAA activities during shutdowns can delay regulatory

approvals and certifications necessary for airline operations, including those related to placing new aircraft into service, which can disrupt execution of fleet and growth plans.

Because the timing, duration, scope and operational effects of shutdowns and related capacity reduction mandates are uncertain—and can vary across airports and regions—future events of this nature could result in lower load factors and yields, higher unit costs, and reduced operational reliability. The cumulative impact of these factors could be material to our operations and financial performance.

We operate a global business with international operations that are subject to economic and political instability and have been, and in the future may continue to be, adversely affected by numerous events, circumstances or government actions beyond our control.

We operate a global business with significant operations outside of the U.S. Our current international activities and prospects have been, and in the future could be, adversely affected by government policies, reversals or delays in the opening of foreign markets, increased competition in international markets, the performance of our alliance, joint business and codeshare partners in a given market, exchange controls or other restrictions on repatriation of funds, currency and political risks (including changes in exchange rates and currency devaluations), environmental regulation, increases in taxes and fees and changes in international governmental regulation of our operations, including the inability to obtain or retain needed route authorities and/or slots, and new or evolved policies related to consumer protection policies. For example, the COVID-19 pandemic severely impacted the demand for international travel for a prolonged period, and resulted in the imposition of significant governmental restrictions on commercial air service to or from certain regions. We responded by temporarily suspending a significant portion of our long-haul international flights and delaying the introduction of certain new long-haul international routes.

We are subject to varying registration requirements and ongoing reporting obligations in the countries where we operate. Our permission to continue doing business in these countries may depend on our ability to timely fulfil or remedy any noncompliance with these and other governmental requirements. We may also be subject to the risk that relevant government agencies will be delayed in granting or renewing required approvals, including as a result of shutdowns, cybersecurity incidents or other events. Any lapse, revocation, suspension or delay in approval of our authority to do business in a given jurisdiction may prevent us from serving certain destinations and could adversely impact our business, financial condition and results of operations.

More generally, our industry may be affected by any deterioration in global trade relations, including shifts in the trade policies of the U.S. and other nations. For example, much of the demand for international air travel is the result of business travel in support of global trade. Should protectionist governmental policies, such as tariff or other trade barriers, travel limitations and other regulatory actions, have the effect of reducing global commercial activity, the result could be a material decrease in the demand for international air travel. Additionally, certain products and services we purchase, including certain of our aircraft and related parts, are sourced from suppliers located outside the U.S., and the imposition of new tariffs, or any increase in existing tariffs, by the U.S. government in respect of the importation of such products could materially increase the amounts we pay for them. In addition, should additional or different retaliatory tariffs be imposed, our business could be harmed.

We continue to examine any ongoing risks associated with Brexit, notably given the extent of our passenger and cargo traffic and that of our joint business partners that flows through LHR in the United Kingdom. The EU-UK Trade and Cooperation Agreement (TCA) has been in force since May 1, 2021. The TCA includes a set of review dates, including a general provision in Article 776 of the TCA for review of implementation of the entire TCA five years after it comes into force, and then every five years thereafter. The first review is due in 2026. We will continue to monitor whether the review will impact air traffic services and whether the UK government's desire for a reset in EU-UK relations will result in any material changes to the operation of air transport under the TCA. LHR remains a very important element of our international network and significant adverse changes to the EU-UK relationship could materially adversely affect our business, results of operations and financial condition.

Additionally, fluctuations in foreign currencies, including devaluations, exchange controls and other restrictions on the repatriation of funds, have significantly affected and may continue to significantly affect our operating performance, liquidity and the value of any cash held outside the U.S. in local currency. We cannot predict fluctuations in foreign currencies, including devaluations, which can significantly affect the value of our assets outside the United States. These conditions, devaluations or imposition of more stringent repatriation restrictions, may materially adversely affect our business, results of operations and financial condition.

We may be adversely affected by conflicts overseas, terrorist attacks or other acts of violence, domestically or abroad; the travel industry continues to face ongoing security concerns.

Acts of terrorism and other violence, domestically or abroad, or fear of such attacks, including elevated national threat warnings, wars or other military conflicts, may depress air travel, particularly on international routes, and cause declines in revenues and increases in costs. The September 11, 2001 attacks and continuing terrorist threats, attacks and attempted attacks materially impacted and continue to impact air travel. Increased security procedures introduced at airports since September 11, 2001 and any other such future measures generate higher operating costs for airlines. The Aviation and Transportation Security Act mandated improved flight deck security, deployment of federal air marshals on-board flights, improved airport perimeter access security, airline crew security training, enhanced security screening of passengers, baggage, cargo, mail, employees and vendors, enhanced training and qualifications of security screening personnel, additional provision of passenger data to the U.S. Customs and Border Protection Agency and enhanced background checks. A concurrent increase in airport security charges and procedures, such as restrictions on carry-on baggage, has also had and may continue to have a disproportionate impact on short-haul travel, which constitutes a significant portion of our flying and revenue. Implementation of and compliance with increasingly complex security and customs requirements will continue to result in increased costs for us and our passengers, and have caused and likely will continue to cause periodic service disruptions and delays. We have at times found it necessary or desirable to make significant expenditures to comply with security-related requirements while seeking to reduce their impact on our customers, such as expenditures for automated security screening lines at airports. As a result of competitive pressure, and the need to improve security screening throughput to support the pace of our operations, it is unlikely that we will be able to capture all security-related costs through increased fares. We cannot forecast what new security requirements may be imposed in the future, or their impact on our business. In addition, avoiding areas of armed conflict or locations inaccessible to us due to geopolitical factors can impact our operations and financial results. For instance, airspace closures or restrictions may require us to alter flight paths or make further operational adjustments, such as changes to preferred diversion locations, thereby increasing the distance, duration and amount of fuel required to operate certain international flights, in particular relative to competitors not subject to these airspace restrictions. Armed conflicts in or affecting international markets we serve could also adversely impact our business by, among other things, depressing demand for travel to certain regions or requiring us to suspend air service to certain destinations. Recent or threatened armed conflicts, security events and geopolitical risks, involving countries such as Cuba, Iran, Israel, Russia, Ukraine and Venezuela, could impact our business. The outbreak or spread of armed conflict and security threats could force us to make additional reductions or changes to our service and could result in volatility in oil markets, disruptions to global trade and airspace restrictions, which could materially increase our costs or impact our supply chains.

We are subject to risks associated with climate change, including increased regulation of our GHG emissions, changing consumer preferences and the potential for increased impacts of severe weather events on our operations and infrastructure.

Global efforts to address climate change have prompted regulators worldwide to promulgate regulations to reduce GHG emissions, including those from the airline industry. Several countries and U.S. states have adopted or are considering adopting programs, including potentially new taxes, designed to cap or reduce aviation's GHG emissions. In addition, certain airports have proposed, and in the future could adopt, GHG emission or climate-related goals or measures that could impact our operations or require us to make further investments in our infrastructure. These regulations may also lead to attempts to adopt requirements or change business environments related to aviation that may result in increased costs to us and the airline industry.

Internationally, ICAO has adopted rules, including those pertaining to CORSIA, which will require us to mitigate the growth of emissions associated with a significant majority of our international flights. At this time, the costs of complying with our future obligations under CORSIA are uncertain, primarily due to significant uncertainty with respect to the status of the U.S. government implementation of CORSIA requirements, the future growth of covered GHG emissions, the supply and price of eligible carbon credits and the future development of the market for eligible renewable fuels.

We and other airlines are increasingly subject to an unpredictable and inconsistent array of international, national and regional emissions restrictions, creating a patchwork of complex regulatory requirements that could lead to increased expenses related to the emissions of our flights. Furthermore, recent implementation of and potential for other new regulatory initiatives to reduce airline GHG emissions may increase our compliance costs. For more information on these regulatory developments, see "*Environmental Matters"* under Part I, Item 1. Business – *"Domestic and Global Regulatory Landscape.*"

We have published a number of sustainability-related targets and goals, including reducing our GHG emissions and the GHG-intensity of our operations. These goals are often long-term in nature, and in many cases rely on assumptions about the future availability and efficacy of technologies that are not yet commercially viable or do not yet exist. Our ability to meet our publicly stated targets depends on a number of factors outside our control, including the ability of third parties, such as engine and airframe manufacturers, SAF producers and other industry participants, to timely develop and commercialize these technological solutions at scale and competitive prices.

In addition, as part of our emissions reduction goals, we and other airlines have publicly announced future targets to increase our use of SAF. Industrial production of SAF continues to be small in scale and well below the volumes needed to meet these goals. Furthermore, current SAF prices are significantly higher than the price of conventional jet fuel. While production capacity is expected to grow in the coming years, we anticipate that SAF will remain significantly more costly than conventional jet fuel. To secure SAF supply, we have entered into multiple agreements for the purchase of current and future SAF production, and we continue to engage with producers regarding potential future SAF purchases, which may include investments and other commitments to support these producers. Certain existing or potential future agreements pertain to SAF production from facilities that are planned but not yet financed and may utilize technology that has not been proven on a commercial scale. There is no assurance that these facilities will be built or that they will meet contracted production timelines and volumes. In the event that SAF is not delivered on schedule or in sufficient volumes, there can be no assurance that we will be able to source a supply of SAF sufficient to meet our stated goals, or that we will be able to do so on favorable economic terms.

We face risks associated with allegations or similar claims that our public statements, including but not limited to press releases, advertising campaigns, marketing programs or commercial offerings describing our sustainability efforts are exaggerated, unsubstantiated or inconsistent with then-current regulations, sometimes referred to as “greenwashing.” We could be subject to litigation or regulatory enforcement actions challenging the basis for such statements which could be costly and disruptive, whether or not meritorious.

Additionally, growing recognition among consumers of the risks of climate change may mean some customers choose to fly less frequently or fly on an airline they perceive as operating in a manner that produces fewer GHG emissions. Business customers may choose to use alternatives to travel, such as virtual meetings and workspaces. Greater development of high-speed rail in markets now served by short-haul flights could provide passengers with lower-carbon alternatives to flying with us. Our collateral to secure loans, in the form of aircraft, airport slots, gates and routes, could lose value as customer demand shifts and economies move to low-carbon alternatives, which may increase our financing costs.

Finally, the potential acute and chronic physical effects of climate change, such as increased frequency and severity of storms, floods, fires, sea-level rise, excessive heat, longer-term changes in weather patterns and other climate-related events, could affect our operations, infrastructure and financial results as well as the safety of our customers and team members. Operational impacts, such as more frequent or widespread flight cancellations, could result in loss of revenue. We could incur significant costs to improve the climate resiliency of our infrastructure and operations and otherwise prepare for, respond to, and mitigate such physical effects of climate change. We are not able to predict accurately the materiality of any potential losses or costs associated with the physical effects of climate change.

We are subject to various risks associated with environmental and social matters.

There is increased scrutiny from investors, customers, policymakers, regulators and other stakeholders regarding company management of climate change, human capital and other environmental and social matters. We engage in various initiatives and programs to manage these matters and address stakeholder expectations. However, such initiatives and programs can be costly and at times controversial; they also may not achieve their intended outcome. Moreover, we cannot guarantee that our approach will align with the expectations or preferences of any particular stakeholder. Various stakeholders have different, and at times conflicting, expectations. For example, while some policymakers (such as the State of California and the European Union) have adopted requirements for various disclosures or actions on environmental and social matters, policymakers in other jurisdictions have sought to constrain companies’ consideration of such matters in certain circumstances.

We are subject to many forms of environmental and noise regulation and may incur substantial costs as a result.

We are subject to a number of increasingly stringent federal, state, local and foreign laws, regulations and ordinances relating to the protection of human health and the environment and noise reduction, including those relating to emissions

to the air, discharges to land and surface and subsurface waters, safe drinking water, and the management of hazardous substances, oils and waste materials. This universe of substances is evolving to encompass many substances not previously regulated. Compliance with environmental laws and regulations can require significant expenditures, and violations can lead to significant fines and penalties, as well as civil liability.

We are also subject to other environmental laws and regulations, including those that require us to investigate and remediate soil or groundwater to meet certain remediation standards. Under federal law, generators of waste materials, and current and former owners or operators of facilities, can be subject to liability for investigation and remediation costs at locations that have been identified as requiring response actions. Liability under these laws may be retroactive, strict, joint and several, meaning that we could be liable for the costs of cleaning up environmental contamination regardless of when it occurred, fault or the amount of waste directly attributable to us. We have liability for investigation and remediation costs at various domestic sites, although such costs currently are not expected to have a material adverse effect on our business.

Governmental authorities in the U.S. and abroad (including in the EU) are increasingly focused on potential contamination resulting from the use of certain chemicals, most notably per- and polyfluoroalkyl substances (PFAS). Products containing PFAS have been used in manufacturing, industrial, and consumer applications over many decades, including those related to aviation. Among other things, recent changes to federal requirements for firefighting foams containing PFAS, as well as related state regulations affecting their use, will require operational and infrastructure changes. In February 2024, the EPA published, for public comment, a new rulemaking to list nine PFAS as hazardous constituents under the Resource Conservation and Recovery Act. In April 2024, the EPA published a final rule designating two PFAS substances (perfluorooctanoic acid and perfluorooctanesulfonic acid) as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act. This rule requires entities to immediately report releases of such substances that meet or exceed the reportable quantity to EPA's National Response Center. These rulemakings could require additional oversight and management of PFAS-containing materials and waste. We may incur costs in connection with current and future reporting obligations, costs related to materials management and historic usage and disposal of PFAS-containing materials, transitioning away from the usage of PFAS-containing products and firefighting systems, or remediating any environmental impacts.

We have various leases and agreements with respect to real property, tanks and pipelines with airports and other operators. Under these leases and agreements, we have agreed to indemnify the lessor or operator against environmental liabilities associated with the real property or operations described under the agreement, even in certain cases where we are not the party responsible for the initial event that caused the environmental damage. We also participate in leases with other airlines in fuel consortiums and fuel committees at airports, and such indemnities are generally joint and several among the participating airlines.

Governmental authorities in several U.S. and foreign cities are also considering, or have already implemented, aircraft noise reduction programs, including the imposition of nighttime curfews and limitations on daytime take offs and landings as well as setting an annual flight cap from specific cities. We have been able to accommodate local noise restrictions imposed to date, but our operations could be adversely affected if locally-imposed regulations become more restrictive or widespread. At the international level, we are closely monitoring noise-related regulations and relevant standards set forth in aviation agreements between the U.S. government and other applicable authorities. The FAA is also currently evaluating possible changes to how aircraft noise is measured and the resulting standards that are based on them. Ultimately, these changes could have an impact on, or limit, our operations, or make it more difficult for the FAA to modernize and increase the efficiency of the airspace and airports we utilize. However, at this time we do not expect such impact to be material.

A high level of pilot retirements, stringent duty time regulations, increased flight hour requirements for commercial airline pilots, reductions in the number of military pilots entering the commercial workforce, increased training requirements and other factors have caused a shortage of pilots that could materially adversely affect our business.

Commencing in 2013, the time and cost commitment required to become licensed to fly commercial aircraft has increased. Additionally, the number of military pilots being trained by the U.S. armed forces and available as commercial pilots upon their retirement from military service has decreased.

These and other factors have contributed to a shortage of pilots that at times have been severe and increased compensation costs. We believe that pilot shortages will remain a problem for the foreseeable future. The pilot shortage has been most acute for regional airlines. It remains possible that our regional airline subsidiaries and other regional

partners could have difficulties hiring adequate numbers of pilots to meet their needs, which could result in a reduction in the number of flights offered, operational disruptions, increased compensation expense and costs of operations, financial difficulties and other adverse effects.

We depend on a limited number of suppliers for aircraft, aircraft engines and parts. Delays in scheduled aircraft deliveries, unexpected grounding of aircraft or aircraft engines whether by regulators or by us, or other loss of anticipated fleet capacity, and failure of new aircraft to receive regulatory approval, be produced or otherwise perform as and when expected, adversely impacts our business, results of operations and financial condition.

We depend on a limited number of suppliers for aircraft, aircraft engines and many aircraft and engine parts. For example, all of our mainline aircraft were manufactured by either Airbus or Boeing and all of our regional aircraft were manufactured by either Bombardier or Embraer. Further, our supplier base continues to consolidate as evidenced by the cessation of production of Bombardier regional aircraft that we and our regional partners currently operate in large numbers. Due to the limited number of suppliers, constraints on production capacity, large order books and long production lead times, manufacturers have faced and are expected to continue to face challenges in timely fulfilling our aircraft on order, and we may face competition from other carriers in securing an adequate supply of aircraft in the future. If new aircraft orders are not filled on a timely basis, we could face higher financing and operating costs than planned. The limited number of these suppliers may also result in reduced competition and potentially higher prices than if the supplier base was less concentrated. In addition, we are vulnerable to any problems associated with the performance of these suppliers' obligation to supply key aircraft, parts and engines, including design defects, mechanical problems, contractual performance by suppliers or adverse perception by the public that would result in customer avoidance of any of our aircraft. We may also experience delivery delays with respect to components or equipment that we have contracted to purchase from third-party suppliers (so-called "buyer-furnished equipment") and required for the outfitting of our aircraft. Failure of our suppliers to timely deliver such components or equipment has in the past and could in the future delay certification of these aircraft or components and their entry into service, and could prevent us from financing such aircraft, requiring us to pay for new deliveries using cash on hand. If the aircraft we receive do not meet expected performance or quality standards, including with respect to fuel efficiency, safety and reliability, we could also face higher financing and operating costs than planned and our business, results of operations and financial condition could be adversely impacted. We are also subject to the risk that action by the FAA or any other regulatory authority could result in an inability to certify or operate our aircraft, even temporarily. For instance, in March 2019, the FAA ordered the grounding of all Boeing 737 MAX Family aircraft, which remained in place for over a year and was not lifted in the United States until November 2020. An additional grounding of Boeing aircraft occurred in January 2024 involving the Boeing 737-9 MAX, a model that we do not operate. Regulatory concerns raised by the FAA also previously forced Boeing to suspend deliveries of certain 787 aircraft, temporarily resulting in significant reductions to our planned long-haul flying. More generally, we have recently experienced delivery delays across manufacturers of aircraft engines and components due to regulatory matters such as those described above. There is also the prospect that new aircraft models will continue to face certification delays further impeding the delivery of new aircraft to the airline industry and increasing competition for the production capacity that is available. There have also been challenges leading to aircraft delivery delays specifically around the certification of new seats and seat designs. In addition, we source a portion of our aircraft, aircraft engines and parts from outside the U.S., and any tariffs imposed may lead to higher costs, negatively affect our supply chains and adversely affect our business and results of operations. For example, there are presently in place tariffs on certain goods, including aircraft, from Brazil, which is the sole source of our new regional jets. Finally, we also face supply chain risks from disruptions in global trade, including the imposition of tariffs and non-tariff barriers with respect to aircraft and related parts that we are not able to mitigate.

The success of our business depends on, among other things, effectively managing the number and types of aircraft we operate. If, for any reason, we are unable to accept or secure deliveries of new aircraft on contractually scheduled delivery timelines, our business, results of operations and financial condition could be negatively impacted. Our failure to integrate newly purchased aircraft into our fleet as planned might require us to seek extensions of the terms for some leased aircraft or otherwise delay the exit of certain aircraft from our fleet, and in certain cases, may require us to undertake costly refurbishments or maintenance of such aircraft. Such unanticipated extensions or delays, which as noted above have recently been relatively commonplace among manufacturers of commercial aircraft, may require us to operate existing aircraft beyond the point at which it is economically optimal to retire them, resulting in increased maintenance costs, or reductions to our schedule, thereby reducing revenues. Repeated or prolonged delays in the production, delivery or induction of our new aircraft could also require us to scale back our growth plans, reduce frequencies or forgo service entirely to certain markets, which could adversely affect our business, financial condition and results of operations.

We rely on third-party distribution channels and must effectively manage the costs, rights and functionality of these channels.

While our priority is to migrate an increasing portion of our customers to our modern, direct distribution channels in lieu of third party channels, we continue to rely on third-party distribution channels, including those provided by or through global distribution systems (GDSs) (e.g., Amadeus, Sabre and Travelport), conventional travel agents, travel management companies and OTAs (e.g., Expedia, including its booking sites Orbitz and Travelocity, and Booking Holdings, including its booking sites Kayak and Priceline), to distribute a significant portion of our airline tickets, and we expect in the future to continue to rely on these channels. We are also dependent upon the ability and willingness of these distribution channels to expand their ability to distribute and collect revenues for ancillary products (e.g., fees for selective seating). These distribution channels are more expensive and at present have less functionality in respect of ancillary product offerings than those we operate ourselves, such as our website at *www.aa.com*. Certain of these distribution channels also effectively restrict the manner in which we distribute our products generally.

To remain competitive, we will need to manage successfully our distribution costs and rights, increase our distribution flexibility, continue to migrate the distribution of tickets to our proprietary and other modern distribution channels, and improve the functionality of our distribution channels, while maintaining an industry-competitive cost structure and a high level of customer satisfaction. Further, as distribution technology changes, we will need to continue to update our technology by acquiring new technology from third parties, building the functionality ourselves, or a combination thereof, which in any event will likely entail significant technological and commercial risk and involve potentially material investments. These imperatives may affect our relationships with conventional travel agents, travel management companies, GDSs and OTAs, including if consolidation of conventional travel agents, travel management companies, GDSs or OTAs continues, or should any of these parties seek to acquire other technology providers thereby potentially limiting our technology alternatives. For example, as previously reported, during the second quarter of 2024 we concluded that certain commercial initiatives designed to, among other things, migrate customers to our modern, direct distribution channels contributed to softness in customer bookings relative to our expectations, and we reversed many of these measures late in the quarter. Any inability to manage our third-party distribution costs, rights and functionality at a competitive level or any material diminishment or disruption in the distribution of our tickets could have a material adverse effect on our business, results of operations and financial condition.

If we are unable to obtain and maintain adequate facilities and infrastructure throughout our system and, at some airports, adequate slots, we may be unable to operate our existing flight schedule and to expand or change our route network in the future, which may have a material adverse impact on our operations.

In order to operate our existing and proposed flight schedule and, where desirable, add service along new or existing routes, we must be able to maintain and/or obtain adequate gates, check-in counters, operations areas, operations control facilities and administrative support space. As airports around the world become more congested, it may not be possible for us to ensure that our plans for new service can be implemented in a commercially viable manner, given operating constraints at airports throughout our network, including those imposed by inadequate facilities at desirable airports.

There is presently a significant amount of capital spending underway at major airports in the United States, including large projects underway at a number of airports where we have significant operations, such as O'Hare International Airport (ORD), DFW, Charlotte Douglas International Airport, Miami International Airport and Los Angeles International Airport (LAX). More generally, following long periods of underinvestment, there is a trend among airports in the United States to engage in significant, expensive expansion, remodeling and infrastructure improvement projects. This spending increases costs to airlines and the traveling public that has and will continue to use those facilities as the airports generally recover their investments through increased rental, landing and other facility costs. In some circumstances, such costs could be imposed by the relevant airport authority without our approval. Accordingly, our operating costs are expected to increase significantly at many airports at which we operate, including a number of our hubs and gateways, as a result of capital spending projects currently underway and additional projects that we expect to commence over the next several years. Escalating airport costs, especially at one of our major hubs, could also force us to revise our growth plans or redirect flying to more cost-effective airports.

In addition, operations at three major domestic airports, certain smaller domestic airports and many foreign airports we serve are regulated by governmental entities through allocations of slots or similar regulatory mechanisms that limit the rights of carriers to conduct operations at those airports. Each slot represents the authorization to land at or take off from the particular airport during a specified time period and may impose other operational restrictions as well. In the U.S., the DOT and the FAA currently regulate the allocation of slots or slot exemptions at DCA and two New York City airports: JFK and LGA. Our operations at these airports generally require the allocation of slots or similar regulatory authority. In

addition to slot restrictions, operations at DCA and LGA are also limited based on a so-called “perimeter rule” which generally limits the stage length of the flights that can be operated from those airports to 1,250 and 1,500 miles, respectively. Similarly, our operations at LHR, international airports in Frankfurt, Paris, Tokyo and other airports outside the U.S. are regulated by local slot authorities pursuant to the International Airline Trade Association Worldwide Scheduling Guidelines and/or applicable local law. Termination of slot controls or other operational restrictions at some or all of the foregoing airports could affect our operational performance and competitive position. We currently have sufficient slots or analogous authorizations to operate our existing flights and we have generally, but not always, been able to obtain the rights to expand our operations and to change our schedules. However, there is no assurance that we will be able to obtain sufficient slots or analogous authorizations in the future or as to the cost of acquiring such rights because, among other reasons, such allocations are often sought after by other airlines and are subject to changes in governmental policies. During periods of reduced demand for air travel, we presently and may in the future rely on exemptions granted by applicable authorities from the requirement that we continuously use certain slots, gates and routes or risk having such operating rights revoked, and depending on the applicable authority these exemptions can vary in the way they are structured and applied. We cannot predict whether such exemptions will be made available, whether they will be granted on the same or similar terms as in past instances, or whether we ultimately could be at risk of losing valuable operating rights. If we are forced to surrender slots or other rights, we may be unable to provide our desired level of service to or from certain destinations in the future. We cannot provide any assurance that regulatory changes resulting in changes in the application of slot controls or the allocation of or any reallocation of existing slots, the continued enforcement or termination of a perimeter rule or similar regulatory regime will not have a material adverse impact on our operations.

Our ability to provide service can also be impaired at airports where the airport gates and other facilities are inadequate to accommodate all of the service that we would like to provide, or where we have no access to gates at all.

Any limitation on our ability to acquire or maintain adequate gates, ticketing facilities, operations areas, operations control facilities, slots (where applicable), or office space could have a material adverse effect on our business, results of operations and financial condition.

Interruptions or disruptions in service at one of our key facilities could have a material adverse impact on our operations.

We operate principally through our hubs in Charlotte, Chicago, Dallas/Fort Worth, Los Angeles, Miami, New York, Philadelphia, Phoenix and Washington, D.C. and partner gateways including London Heathrow (among others). Substantially all of our flights either originate at or fly into one of these locations. A significant interruption or disruption in service at one of our hubs, gateways or other airports where we have a significant presence, resulting from air traffic control delays, weather conditions, natural disasters, cybersecurity incidents, growth constraints, performance by third-party service providers (such as electric utility or telecommunications providers), failure of computer systems, disruptions at airport facilities and equipment or other key facilities used by us to manage our operations (including as a result of social or environmental activism), labor relations, power supplies, fuel supplies, terrorist activities, or other reasons could result in the cancellation or delay of a significant portion of our flights and, as a result, could have a severe impact on our business, results of operations and financial condition. We have limited control, particularly in the short term, over the operation, quality or maintenance of many of the services on which our operations depend and over whether vendors of such services will improve or continue to provide services that are essential to our business.

Increases in insurance costs or reductions in insurance coverage may adversely impact our operations and financial results.

We maintain insurance policies, including, but not limited to, terrorism, aviation hull and liability, workers' compensation and property and business interruption insurance, but we are not fully insured against all potential hazards and risk incident to our business. Emerging threats such as cyberattacks, artificial intelligence-related risks, or geopolitical instability could further challenge insurance availability and affordability. Additionally, the occurrence or persistence of certain events, including armed conflicts, could also impact our ability to obtain commercial insurance coverage against certain risks, or to obtain such insurance on commercially acceptable terms. If we are unable to maintain adequate insurance coverage or to secure suitable alternatives outside the commercial insurance markets, our business could be materially and adversely affected. Additionally, severe disruptions in the domestic and global financial markets could adversely impact the claims paying ability of some insurers. Future downgrades in the ratings of enough insurers could adversely impact both the availability of appropriate insurance coverage and its cost. Because of competitive pressures in our industry, our ability to pass along additional insurance costs to passengers is limited. As a result, further increases in insurance costs or reductions in available insurance coverage could have an adverse impact on our financial results.

The airline industry is heavily taxed.

The airline industry is subject to extensive government fees and taxation that negatively impact our revenue and profitability. The U.S. airline industry is one of the most heavily taxed of all industries. These fees and taxes have grown significantly in the past decade for domestic flights, and various U.S. fees and taxes also are assessed on international flights. For example, as permitted by federal legislation, most major U.S. airports impose a per-passenger facility charge on us. In addition, the governments of foreign countries in which we operate impose on U.S. airlines, including us, various fees and taxes, and these assessments have been increasing in number and amount. Moreover, we are obligated to collect a federal excise tax, commonly referred to as the "ticket tax," on domestic and certain international air transportation. We collect the excise tax, along with certain other U.S. and foreign taxes and user fees on air transportation (such as passenger security fees), and pass along the collected amounts to the appropriate governmental agencies. Although these taxes and fees are not our operating expenses, they represent an additional cost to our customers. There are continuing efforts in Congress and in other countries to raise different portions of the various taxes, fees, and charges imposed on airlines and their passengers, including the passenger facility charge, and we may not be able to recover all of these charges from our customers. Increases in such taxes, fees and charges could negatively impact our business, results of operations and financial condition.

Under DOT regulations, all governmental taxes and fees must be included in the prices we quote or advertise to our customers. Due to the competitive revenue environment, many increases in these fees and taxes have been absorbed by the airline industry rather than being passed on to the customer. Further increases in fees and taxes may reduce demand for air travel, and thus our revenues.

Risks Related to Ownership of AAG Common Stock

The price of AAG common stock has been and may in the future be volatile.

The market price of AAG common stock has fluctuated substantially in the past, and may fluctuate substantially in the future, due to a variety of factors, many of which are beyond our control, including:

- the effects of external events, such as global health epidemics, on our business or the U.S. and global economies;
- macro-economic conditions, including the price of fuel;
- changes in market values of airline companies as well as general market conditions;
- our operating and financial results failing to meet the expectations of securities analysts or investors;
- changes in financial estimates or recommendations by securities analysts;
- changes in our level of outstanding indebtedness and other obligations;
- changes in our credit ratings;
- material announcements by us or our competitors;
- new regulatory pronouncements and changes in regulatory guidelines;
- general and industry-specific economic conditions;
- changes in our key personnel;
- inclusion of our common stock in broad market indexes favored by passive investors;
- investor preferences to invest in certain sectors, including large technology companies in lieu of industrial or transportation companies;
- public or private sales of a substantial number of shares of AAG common stock or issuances of AAG common stock upon the exercise or conversion of restricted stock unit awards, stock appreciation rights, or other securities that may be issued from time to time, including warrants we have issued in connection with our receipt of funds under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Subtitle A of Title IV of Division N of the Consolidated Appropriations Act, 2021 (the PSP Extension Law) and the American Rescue Plan Act of 2021 (ARP);

- increases or decreases in reported holdings by insiders or other significant stockholders;
- fluctuations in trading volume; and
- technical factors in the public trading market for our stock that may produce price movements that may or may not comport with macro, industry or company-specific fundamentals, including, without limitation, the sentiment of retail investors (including as may be expressed on financial trading and other social media sites), the amount and status of short interest in our securities, access to margin debt, trading in options and other derivatives on our common stock and any related hedging and other technical trading factors.

The closing price of our common stock on the Nasdaq Global Select Market varied from $9.07 to $18.66 during 2025 and $13.30 to $16.00 during 2026 year-to-date through February 13, 2026. At times, fluctuations in our stock price have been rapid, imposing risks on investors due to the possibility of significant, short-term price volatility. While we believe that in recent years this wide range of trading prices has largely reflected the changing prospects for a large airline, based in part on the commentary of market analysts, that the trading price of our common stock has at times been influenced by the technical trading factors discussed in the last bullet above. On some occasions, market analysts have explained fluctuations in our stock price by reference to purported “short squeeze” activity. A “short squeeze” is a technical market condition that occurs when the price of a stock increases substantially, forcing market participants who had taken a position that its price would fall (i.e., who had sold the stock “short”), to buy it, which in turn may create significant, short-term demand for the stock not for fundamental reasons, but rather due to the need for such market participants to acquire the stock in order to forestall the risk of even greater losses. A “short squeeze” condition in the market for a stock can lead to short-term conditions involving very high volatility and trading that may or may not track fundamental valuation models.

Our ability to utilize our net operating losses (NOLs) and other carryforwards may be limited.

Under the Internal Revenue Code of 1986, as amended (the Code), a corporation is generally allowed a deduction for NOLs carried over from prior taxable years. At December 31, 2025, we had approximately $11.9 billion of gross federal NOLs and $6.0 billion of other carryforwards available to reduce future federal taxable income, of which $1.6 billion will expire beginning in 2033 if unused and $16.3 billion can be carried forward indefinitely. We also had approximately $5.0 billion of NOL carryforwards to reduce future state taxable income at December 31, 2025, which will expire in taxable years 2025 through 2045 if unused. Our NOL carryforwards are subject to adjustment on audit by the Internal Revenue Service and the respective state taxing authorities.

Our ability to use our NOLs and other carryforwards depends on the amount of taxable income generated in future periods. There can be no assurance that an additional valuation allowance on our net deferred tax assets will not be required should our financial performance be negatively impacted in the future. Such valuation allowance could be material.

An ownership change may severely limit or effectively eliminate our ability to utilize our NOL carryforwards and other tax attributes. In connection with the expiration in December 2021 of certain transfer restrictions applicable to substantial shareholders contained in our Certificate of Incorporation, the Board of Directors of AAG adopted a tax benefit preservation plan (the Tax Benefit Preservation Plan) in order to preserve our ability to use our NOLs and certain other tax attributes to reduce potential future income tax obligations. The Tax Benefit Preservation Plan was subsequently ratified by our stockholders at the 2022 Annual Meeting of Stockholders of AAG. On October 31, 2024, AAG entered into Amendment No. 1 to the Tax Benefit Preservation Plan to extend the expiration date to October 29, 2027, which was subsequently approved by our stockholders at the 2025 Annual Meeting of Stockholders of AAG. The Tax Benefit Preservation Plan is designed to reduce the likelihood that we experience an ownership change by deterring certain acquisitions of AAG common stock. There is no assurance, however, that the deterrent mechanism will be effective, and such acquisitions may still occur. In addition, the Tax Benefit Preservation Plan may adversely affect the marketability of AAG common stock by discouraging existing or potential investors from acquiring shares of AAG common stock, because any non-exempt third party that acquires 4.9% or more of the then-outstanding shares of AAG common stock would suffer substantial dilution of its ownership interest in AAG.

AAG's Certificate of Incorporation, Bylaws and Tax Benefit Preservation Plan include provisions that limit voting and acquisition and disposition of our equity interests and specify an exclusive forum for certain stockholder disputes.

Our Certificate of Incorporation and Bylaws include significant provisions that limit voting and ownership and disposition of our equity interests as described in Part II, Item 5. Market for American Airlines Group's Common Stock, Related Stockholder Matters and Issuer Purchases of Equity Securities - "*Ownership Restrictions*" and AAG's Description of the Registrants' Securities Registered Pursuant to Section 12 of the Exchange Act, which is filed as Exhibit 4.1 hereto. Further restrictions are set forth in our Tax Benefit Preservation Plan, which was filed as Exhibit 4.1 to AAG's Current Report on Form 8-K filed on December 22, 2021 and amendments to the Tax Benefit Preservation Plan, filed as Exhibit 4.1 to AAG's Current Report on Form 8-K filed on November 1, 2024. These restrictions, including the ownership limitations described above in *"Our ability to utilize our net operating losses (NOLs) and other carryforwards may be limited"*, may adversely affect the ability of certain holders of AAG common stock and our other equity interests to vote such interests and adversely affect the ability of persons to acquire shares of AAG common stock and our other equity interests.

Our Certificate of Incorporation and Bylaws also specify that the Court of Chancery of the State of Delaware shall be the exclusive forum for substantially all disputes between us and our stockholders. We do not intend for this exclusive forum provision to apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our Bylaws further provide that the federal district courts of the United States shall be the exclusive forum for claims under the Securities Act. The forum selection provisions may restrict a stockholder's ability to bring a claim against us or our directors or officers in a forum that it finds favorable, which may discourage stockholders from bringing such claims at all. Alternatively, if a court were to find the forum selection provisions contained in our Certificate of Incorporation and Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in another forum, which could materially adversely affect our business, financial condition and results of operations.

Certain provisions of AAG's Certificate of Incorporation and Bylaws make it difficult for stockholders to change the composition of our Board of Directors and may discourage takeover attempts that some of our stockholders might consider beneficial.

Certain provisions of our Certificate of Incorporation and Bylaws, as currently in effect, may have the effect of delaying or preventing changes in control if our Board of Directors determines that such changes in control are not in our best interest and the best interest of our stockholders. These provisions include, among other things, the following:

- advance notice procedures for stockholder proposals to be considered at stockholders' meetings;
- the ability of our Board of Directors to fill vacancies on the board;
- a prohibition against stockholders taking action by written consent;
- stockholders are restricted from calling a special meeting unless they hold at least 20% of our outstanding shares and follow the procedures provided for in the Bylaws;
- a requirement that holders of at least 80% of the voting power of the shares entitled to vote in the election of directors approve any amendment of our Bylaws submitted to stockholders for approval; and
- super-majority voting requirements to modify or amend specified provisions of our Certificate of Incorporation.

These provisions are not intended to prevent a takeover, but are intended to protect and maximize the value of the interests of our stockholders. While these provisions have the effect of encouraging persons seeking to acquire control of our company to negotiate with our Board of Directors, they could enable our Board of Directors to prevent a transaction that some, or a majority, of our stockholders might believe to be in their best interest and, in that case, may prevent or discourage attempts to remove and replace incumbent directors. In addition, we are subject to the provisions of Section 203 of the Delaware General Corporation Law, which restricts business combinations with interested stockholders. Interested stockholders do not include stockholders whose acquisition of our securities is approved by the Board of Directors prior to the investment under Section 203.

The issuance or sale of shares of our common stock or rights to acquire shares of our common stock could depress the trading price of our common stock.

We may conduct future offerings of material amounts of our common stock, preferred stock or other securities that are convertible into or exercisable for our common stock to finance our operations, to fund acquisitions, or for any other purposes at any time and from time to time. Further, additional shares of our common stock may be issued in connection with the exercise of warrants originally issued by AAG to the U.S. Department of Treasury. If these additional shares or securities are issued or sold, or if it is perceived that they will be sold, the trading price of our common stock could decline substantially. If we issue additional shares of our common stock or rights to acquire shares of our common stock, if any of our existing stockholders sells a substantial amount of our common stock, or if the market perceives that such issuances or sales may occur, then the trading price of our common stock could decline substantially.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

The safety and security of our customers and team members is our top priority. This includes working to put in place appropriate administrative, physical and technical cybersecurity safeguards to help protect our assets that keep our operation running and securely store the information in our care. We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our systems and information.

We have created, and assess our program against, an integrated cybersecurity framework using various National Institute of Standards and Technology (NIST) security standards, guidelines and best practices. This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use various NIST security standards, guidelines and best practices to identify, assess, and manage cybersecurity risks relevant to our business.

Our cybersecurity risk management program is overseen by our Executive Cybersecurity Risk Group (ECRG) which is comprised of our Chief Digital and Information Officer (CDIO), Chief Financial Officer and Chief Legal Officer. The ECRG, working with our Chief Information Security Officer (CISO), assists the Board of Directors and our senior leadership team in fulfilling their responsibilities for cybersecurity governance, approval and oversight through the periodic reporting and review of security strategy and risk management practices. Our cybersecurity risk management program is integrated into our overall risk management processes and shares common reporting channels and governance processes that apply across the enterprise to other legal, compliance, strategic, operational, and financial risk governance programs.

Our cybersecurity risk management program includes:

- risk assessments designed to help identify material risks from cybersecurity threats to our critical systems, information, and our broader enterprise information technology environment;
- a cybersecurity team principally responsible for managing our (1) cybersecurity risk assessment processes, (2) security controls, (3) vulnerability management program and (4) detection and response to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security controls;
- policies, procedures and standards that are utilized to outline expectations, guidelines and best practices for managing cybersecurity risks;
- cybersecurity awareness training for our employees, incident response personnel and senior management;
- a cybersecurity incident response plan that (1) includes procedures for responding to cybersecurity incidents and (2) is periodically tested through exercises; and
- a third-party risk management process for critical information technology service providers, suppliers, and vendors.

We are constantly assessing our environment for cybersecurity threats, and we face risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations or financial condition. At the time of this filing, we have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected us, including our operations, business strategy, results of operations or financial condition. See Part I, Item 1A. Risk Factors – "*Evolving data privacy requirements (in particular, compliance with applicable federal, state and foreign laws relating to handling of personal information about individuals) could increase our costs, and any significant data privacy incident could disrupt our operations, harm our reputation, expose us to legal risks and otherwise materially adversely affect our business, results of operations and financial condition.*"

Cybersecurity Governance

Our Board of Directors considers cybersecurity risk as part of its risk oversight function and has delegated to the Audit Committee oversight of cybersecurity and other information technology risks. In turn, the Audit Committee oversees management's implementation of our cybersecurity risk management program.

The Audit Committee receives quarterly reports from management on our cybersecurity risks. In addition, management updates the Audit Committee, as necessary, regarding any material cybersecurity incidents, as well as certain incidents with lesser impact potential.

The Audit Committee reports to the full Board of Directors regarding its activities, including those related to cybersecurity. The full Board of Directors also receives periodic briefings from management on our cybersecurity risk management program. Board of Director members receive presentations on cybersecurity topics from a combination of our CDIO, CISO, Deputy General Counsel – Chief Privacy and Data Protection Officer, internal security staff, external counsel or external experts, as part of the Board of Director's continuing education on topics that impact public companies.

Our management team, including our CDIO, CISO, Deputy General Counsel – Chief Privacy and Data Protection Officer and additional members of the ECRG are responsible for assessing and managing our material risks from cybersecurity threats. The team has primary responsibility for our overall cybersecurity risk management program and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Collectively, our management team has extensive information technology experience, as well as cybersecurity incident response, compliance, oversight, and program management experience. Additionally, certain leaders and personnel within the cybersecurity organization hold industry certifications, such as Certified Information Systems Security Professional or Certified Information Security Manager.

Our management team supervises efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include briefings from internal security personnel; threat intelligence and other various sources including external consultants engaged by us.

ITEM 2. PROPERTIES

Flight Equipment

As of December 31, 2025, American operated a mainline fleet of 1,013 aircraft. During 2025, American accepted delivery of 40 mainline aircraft including 23 Boeing 737-8 MAX, 11 Boeing 787-9, five Airbus A321XLR and one Airbus A321neo and returned one leased mainline aircraft. We are supported by our wholly-owned and third-party regional carriers that fly under capacity purchase agreements operating as American Eagle. As of December 31, 2025, American Eagle operated 567 regional aircraft. During 2025, we decreased our regional fleet by 18 aircraft, including the return of 50 regional aircraft to third-party regional carriers and a lessor, offset by the addition of 30 regional aircraft and net of two regional aircraft returned to service from temporary storage.

Mainline

As of December 31, 2025, American's mainline fleet consisted of the following aircraft:

	Average Seating Capacity	Average Age (Years)	Owned	Leased	Total
Airbus A319	128	21.7	21	111	132
Airbus A320	150	24.7	12	36	48
Airbus A321	184	13.4	164	54	218
Airbus A321neo	195	4.8	49	35	84
Airbus A321XLR [1]	155	0.1	2	—	2
Boeing 737-800	172	16.1	138	165	303
Boeing 737-8 MAX	172	3.7	56	33	89
Boeing 777-200ER	273	25.0	44	3	47
Boeing 777-300ER	304	11.8	18	2	20
Boeing 787-8	234	7.1	20	17	37
Boeing 787-9	271	5.6	23	10	33
Total		14.3	547	466	1,013

[1] Excluded from the total operating aircraft count above are three owned Airbus A321XLR held in temporary storage as of December 31, 2025.

Regional

As of December 31, 2025, the fleet of our wholly-owned and third-party regional carriers operating as American Eagle consisted of the following aircraft:

	Average Seating Capacity	Owned	Leased	Owned or Leased by Third Party Regional Carrier	Total	Operating Regional Carrier	Number of Aircraft Operated
Bombardier CRJ700	65	57	3	62	122	SkyWest	62
						PSA	60
						Total	122
Bombardier CRJ900 [1]	76	86	—	—	86	PSA	86
Embraer E170	65	6	37	13	56	Envoy	43
						Republic	13
						Total	56
Embraer E175	76	136	—	96	232	Envoy	136
						Republic	76
						SkyWest	20
						Total	232
Embraer ERJ145	50	71	—	—	71	Piedmont	71
Total		356	40	171	567		567

(1) Excluded from the total operating aircraft count above are four owned Bombardier CRJ900 held in temporary storage as of December 31, 2025.

See Note 11 to AAG's Consolidated Financial Statements in Part II, Item 8A and Note 10 to American's Consolidated Financial Statements in Part II, Item 8B for additional information on our capacity purchase agreements with third-party regional carriers.

Aircraft and Engine Purchase Commitments

As of December 31, 2025, we had definitive purchase agreements for the acquisition of the following new aircraft [1]:

	2026	2027	2028	2029 and Thereafter	Total
Airbus					
A320 Family	20	21	39	75	155
Boeing					
737 Family	14	—	—	115	129
787 Family	1	3	5	10	19
Embraer					
E175	20	13	17	30	80
Total	55	37	61	230	383

(1) Delivery schedule represents our best estimate as of the date of this report as described in footnote (e) to the "*Contractual Obligations*" table in Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations. Actual delivery dates are subject to change, which could be material, based on various potential factors, including production delays by the equipment manufacturers and regulatory concerns.

In addition, we have committed to purchase four used Bombardier CRJ900 aircraft which are scheduled to be delivered in 2026. We also have agreements for 47 spare engines to be delivered in 2026 and beyond.

We intend to finance future aircraft deliveries and option exercises using long-term debt. See Note 11 to AAG's Consolidated Financial Statements in Part II, Item 8A and Note 10 to American's Consolidated Financial Statements in Part II, Item 8B for additional information on aircraft and engine acquisition commitments.

Ground Properties

At each airport where we conduct flight operations, we have agreements, generally with a governmental unit or authority, for the use of passenger, operations and baggage handling space as well as runways and taxiways. These agreements, particularly in the U.S., often contain provisions for periodic adjustments to rates and charges applicable under such agreements. These rates and charges also vary with our level of operations and the operations of the airport. Additionally, at our hub locations and in certain other cities we serve, we lease administrative offices, catering, cargo, training, maintenance and other facilities.

We lease, or have built on leased property, our headquarters and training facilities in Fort Worth, Texas, our principal overhaul and maintenance base in Tulsa, Oklahoma, our regional reservation offices, and administrative offices throughout the U.S. and abroad.

ITEM 3. LEGAL PROCEEDINGS

See Note 11 to AAG's Consolidated Financial Statements in Part II, Item 8A and Note 10 to American's Consolidated Financial Statements in Part II, Item 8B for information on legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR AMERICAN AIRLINES GROUP'S COMMON STOCK, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Stock Exchange Listing

Our common stock is listed on The Nasdaq Global Select Market under the trading symbol "AAL." There is no trading market for the common stock of American, which is a wholly-owned subsidiary of AAG.

As of February 13, 2026, there were approximately 51,000 holders of record of our common stock. However, because many of the shares of our common stock are held by brokers and other institutions on behalf of stockholders, we believe there are substantially more beneficial holders of our common stock than record holders.

Information on securities authorized for issuance under our equity compensation plans will be set forth in our Proxy Statement for the 2026 Annual Meeting of Stockholders of American Airlines Group Inc. (the Proxy Statement) under the caption "Equity Compensation Plan Information" and is incorporated by reference into this Annual Report on Form 10-K.

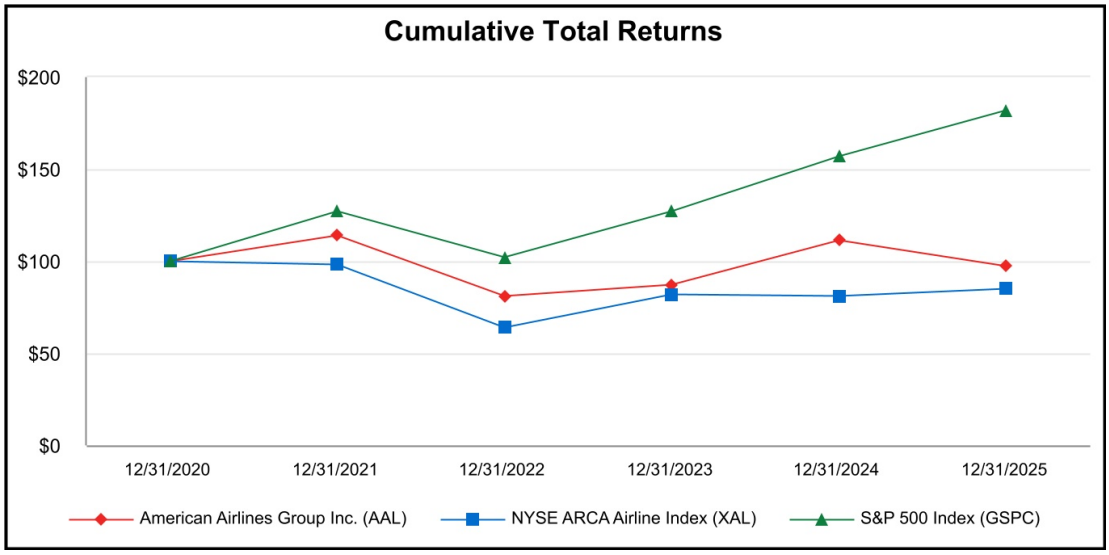
Dividends on Common Stock

There were no cash dividend payments during the years ended December 31, 2025 and 2024. If we determine to make any dividends in the future, such dividends that may be declared and paid from time to time will be subject to market and economic conditions, applicable legal requirements and other relevant factors. We are not obligated to continue a dividend for any fixed period, and the payment of dividends may be suspended or discontinued again at any time at our discretion and without prior notice.

Stock Performance Graph

The following stock performance graph and related information shall not be deemed "soliciting material" or "filed" with the SEC, nor shall such information be incorporated by reference into any future filings under the Securities Act of 1933 or the Exchange Act, each as amended, except to the extent that we specifically incorporate it by reference into such filing.

The following stock performance graph compares the cumulative total stockholder returns during the period from December 31, 2020 to December 31, 2025 of our common stock to the New York Stock Exchange (NYSE) ARCA Airline Index and the Standard and Poor's Financial Services, LLC (S&P) 500 Stock Index. The comparison assumes $100 was invested on December 31, 2020 in our common stock and in each of the foregoing indices and assumes that all dividends were reinvested. The stock performance shown on the following graph represents historical stock performance and is not necessarily indicative of future stock price performance.



	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
American Airlines Group Inc. (AAL)	$ 100	$ 114	$ 81	$ 87	$ 111	$ 97
NYSE ARCA Airline Index (XAL)	100	98	64	82	81	85
S&P 500 Index (GSPC)	100	127	102	127	157	182

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

No repurchases of AAG common stock were made in 2025 or 2024. Any future determination to enter into a share repurchase program will be at the discretion of the Board of Directors, subject to applicable legal limitations, and will depend upon our results of operations, financial condition, contractual restrictions and other factors deemed relevant by the Board of Directors.

Ownership Restrictions

AAG's Certificate of Incorporation, as amended, and Fifth Amended and Restated Bylaws (Bylaws) provide that, consistent with the requirements of Subtitle VII of Title 49 of the United States Code, as amended (the Aviation Act), any persons or entities who are not a "citizen of the United States" (as defined under the Aviation Act and administrative interpretations issued by the DOT, its predecessors and successors, from time to time), including any agent, trustee or representative of such persons or entities (a non-citizen), shall not, in the aggregate, own (beneficially or of record) and/or control more than (a) 24.9% of the aggregate votes of all of our outstanding equity securities or (b) 49.0% of our outstanding equity securities. Our Certificate of Incorporation and Bylaws further specify that it is the duty of each stockholder who is a non-citizen to register his, her or its equity securities on our foreign stock record and provide for remedies applicable to stockholders that exceed the voting and ownership caps described above.

In addition, to reduce the risk of a potential adverse effect on our ability to use our NOL carryforwards and certain other tax attributes for federal income tax purposes, and in connection with the expiration in December 2021 of certain transfer restrictions applicable to substantial shareholders contained in our Certificate of Incorporation, the Board of Directors of AAG adopted the Tax Benefit Preservation Plan. The Tax Benefit Preservation Plan was subsequently ratified by our stockholders at the 2022 Annual Meeting of Stockholders of AAG. AAG entered into Amendment No. 1 to the Tax Benefit Preservation Plan to extend the expiration date to October 29, 2027 and the amendment was approved by stockholders at the 2025 Annual Meeting of Stockholders of AAG on June 11, 2025. The Tax Benefit Preservation Plan is designed to reduce the likelihood that we experience an "ownership change" for purposes of Section 382 by deterring certain acquisitions of AAG common stock. There is no assurance, however, that the deterrent mechanism will be effective, and such acquisitions may still occur. In addition, the Tax Benefit Preservation Plan may adversely affect the marketability of AAG common stock by discouraging existing or potential investors from acquiring AAG common stock or additional shares of AAG common stock, because any non-exempt third party that acquires 4.9% or more of the then-outstanding shares of AAG common stock would suffer substantial dilution of its ownership interest in AAG.

See Part I, Item 1A. Risk Factors – *"AAG's Certificate of Incorporation, Bylaws and Tax Benefit Preservation Plan include provisions that limit voting and acquisition and disposition of our equity interests and specify an exclusive forum for certain stockholder disputes"* and "*Our ability to utilize our NOLs and other carryforwards may be limited."* Also see AAG's Certification of Incorporation and Bylaws, which are filed as Exhibits 3.1, 3.2 and 3.3 hereto, for the full text of the foregoing restrictions and AAG's Description of the Registrants' Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, which is filed as Exhibit 4.1 hereto, for a more detailed description.

ITEM 6. SELECTED CONSOLIDATED FINANCIAL DATA

Selected Consolidated Financial Data of AAG

The selected consolidated financial data presented below under the captions “Consolidated Statements of Operations data” and “Consolidated Balance Sheet data” for the years ended and as of December 31, 2025, 2024 and 2023, are derived from AAG’s audited consolidated financial statements.

	Year Ended December 31,		
	2025	2024	2023
	(In millions, except share and per share amounts)		
Consolidated Statements of Operations data:			
Total operating revenues	$ 54,633	$ 54,211	$ 52,788
Total operating expenses	53,166	51,597	49,754
Operating income	1,467	2,614	3,034
Net income	111	846	822
Earnings per common share:			
Basic	$ 0.17	$ 1.29	$ 1.26
Diluted	0.17	1.24	1.21
Weighted average shares outstanding (in thousands):			
Basic	659,964	656,996	653,612
Diluted	661,052	721,300	719,669
Consolidated Balance Sheet data (at end of period):			
Total assets	$ 61,774	$ 61,783	$ 63,058
Debt and finance leases	29,007	30,476	32,902
Pension and postretirement obligations [1]	1,680	2,275	3,171
Operating lease liabilities	6,963	7,068	7,761
Stockholders’ deficit	(3,727)	(3,977)	(5,202)

[1] Substantially all defined benefit pension plans were frozen effective November 1, 2012. See Note 9 to AAG's Consolidated Financial Statements in Part II, Item 8A for further information on pension and postretirement benefits.

Reconciliation of GAAP to Non-GAAP Financial Measures

We sometimes use financial measures that are derived from the consolidated financial statements but that are not presented in accordance with accounting principles generally accepted in the U.S. (GAAP) to understand and evaluate our current operating performance and to allow for period-to-period comparisons. We believe these non-GAAP financial measures may also provide useful information to investors and others. These non-GAAP measures may not be comparable to similarly titled non-GAAP measures of other companies, and should be considered in addition to, and not as a substitute for or superior to, any measure of performance, cash flow or liquidity prepared in accordance with GAAP. We are providing a reconciliation of reported non-GAAP financial measures to their comparable financial measures on a GAAP basis.

The following table presents the components of our net special items and the reconciliation of pre-tax income and net income (GAAP measures) to pre-tax income excluding net special items and net income excluding net special items (non-GAAP measures). Management uses these non-GAAP financial measures to evaluate our current operating performance and to allow for period-to-period comparisons. As net special items may vary from period-to-period in nature and amount, the adjustment to exclude net special items provides management with an additional tool to understand our core operating performance.

	Year Ended December 31,	
	2025	2024
	(In millions)	
Components of Special Items, Net: [1]		
Litigation reserve adjustments	$ 77	$ —
Labor contract expenses [2]	31	605
Severance expenses	44	13
A330 fleet-related adjustments [3]	—	(42)
Other operating special items, net	7	34
Mainline operating special items, net	159	610
Regional operating special items, net [4]	3	33
Operating special items, net	162	643
Mark-to-market adjustments on equity investments, net [5]	(40)	8
Debt refinancing and extinguishment	22	16
Other nonoperating special items, net	18	—
Nonoperating special items, net	—	24
Pre-tax special items, net	$ 162	$ 667
Reconciliation of Pre-Tax Income Excluding Net Special Items:		
Pre-tax income – GAAP	$ 190	$ 1,154
Adjusted for: Pre-tax special items, net	162	667
Pre-tax income excluding net special items	$ 352	$ 1,821
Reconciliation of Net Income Excluding Net Special Items:		
Net income – GAAP	$ 111	$ 846
Adjusted for: Pre-tax special items, net	162	667
Adjusted for: Net tax effect of net special items	(36)	(151)
Net income excluding net special items	$ 237	$ 1,362

(1) See Note 2 to AAG's Consolidated Financial Statements in Part II, Item 8A for further information on net special items.

(2) Labor contract expenses for 2025 included a one-time charge resulting from adjustments to vacation accruals due to pay rate increases effective January 1, 2025, following the ratification of the contract extension in the fourth quarter of 2024 with our mainline maintenance and fleet service team members.

Labor contract expenses for 2024 included one-time charges resulting from the ratifications of new CBAs with our mainline flight attendants and passenger service team members, including one-time payments and adjustments to vacation accruals resulting from pay rate increases.

(3) In 2024, we entered into a sales agreement for certain Airbus A330 aircraft, resulting in a $42 million gain. These aircraft were previously retired in 2020 as a result of the decline in demand for air travel due to the COVID-19 pandemic.

(4) Regional operating special items, net for 2024 included a $33 million non-cash write down of regional aircraft resulting from the decision to permanently park 43 Embraer ERJ145 aircraft.

(5) Mark-to-market adjustments on equity investments, net included net unrealized gains and losses associated with certain equity investments. See Note 8 to AAG's Consolidated Financial Statements in Part II, Item 8A for further information related to our equity investments.

Additionally, the table below presents the reconciliation of total operating costs (GAAP measure) to total operating costs excluding net special items and fuel (non-GAAP measure) and total operating cost per available seat mile (CASM) to CASM excluding net special items and fuel. Management uses total operating costs excluding net special items and fuel and CASM excluding net special items and fuel to evaluate our current operating performance and for period-to-period comparisons. The price of fuel, over which we have no control, impacts the comparability of period-to-period financial performance. The adjustment to exclude net special items and fuel provides management with an additional tool to understand and analyze our non-fuel costs and core operating performance. Amounts may not recalculate due to rounding.

	Year Ended December 31,	
	2025	2024
Reconciliation of CASM Excluding Net Special Items and Fuel:		
(In millions)		
Total operating expenses – GAAP	$ 53,166	$ 51,597
Operating net special items [1]:		
Mainline operating special items, net	(159)	(610)
Regional operating special items, net	(3)	(33)
Aircraft fuel and related taxes	(10,718)	(11,418)
Total operating expenses, excluding net special items and fuel	$ 42,286	$ 39,536
(In millions)		
Total Available Seat Miles (ASM)	299,411	292,948
(In cents)		
CASM	17.76	17.61
Operating net special items per ASM [1]:		
Mainline operating special items, net	(0.05)	(0.21)
Regional operating special items, net	—	(0.01)
Aircraft fuel and related taxes per ASM	(3.58)	(3.90)
CASM, excluding net special items and fuel	14.12	13.50

(1) See Note 2 to AAG's Consolidated Financial Statements in Part II, Item 8A for further information on net special items.

Selected Consolidated Financial Data of American

The selected consolidated financial data presented below under the captions “Consolidated Statements of Operations data” and “Consolidated Balance Sheet data” for the years ended and as of December 31, 2025, 2024 and 2023, are derived from American’s audited consolidated financial statements.

	Year Ended December 31,		
	2025	2024	2023
	(In millions)		
Consolidated Statements of Operations data:			
Total operating revenues	$ 54,626	$ 54,204	$ 52,784
Total operating expenses	53,115	51,550	49,715
Operating income	1,511	2,654	3,069
Net income	564	1,262	1,188
Consolidated Balance Sheet data (at end of period):			
Total assets	$ 70,247	$ 68,755	$ 69,074
Debt and finance leases	25,259	25,736	27,675
Pension and postretirement obligations [1]	1,678	2,262	3,148
Operating lease liabilities	6,908	7,008	7,708
Stockholder’s equity	9,028	8,234	6,577

[1] Substantially all defined benefit pension plans were frozen effective November 1, 2012. See Note 8 to American's Consolidated Financial Statements in Part II, Item 8B for further information on pension and postretirement benefits.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

2025 Financial Overview

Business and Macroeconomic Conditions

Starting in the first quarter of 2025, the U.S. Government has promoted and implemented plans to place additional tariffs on goods imported into the U.S. from numerous countries and has pursued other trade policies intended to restrict imports and, in response, multiple nations have countered with reciprocal tariffs and other actions.

These or additional changes in U.S. or international trade policies, along with continued uncertainty surrounding such policies, could lead to further weakened business conditions for the transportation industry, which may adversely impact our operations through increased supply chain challenges, commodity price volatility and a decline in discretionary spending and consumer confidence, among others. We continue to monitor the situation.

Many aspects of our airline operations depend on the U.S. Government, and in the fourth quarter of 2025, the prolonged government shutdown led to mandated schedule reductions, strained air traffic control and security screening resources, reduced air traffic capacity at key U.S. airports, and increased delays and cancellations. Additionally, the government shutdown-related uncertainty temporarily impacted customer bookings in the fourth quarter of 2025 and negatively impacted our revenue by approximately $325 million.

AAG's 2025 Financial Results

The selected financial data presented below is derived from AAG's audited consolidated financial statements included in Part II, Item 8A of this report and should be read in conjunction with those financial statements and the related notes thereto.

	Year Ended December 31,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Passenger revenue	$ 49,643	$ 49,586	$ 57	0.1
Cargo revenue	839	804	35	4.3
Other operating revenue	4,151	3,821	330	8.7
Total operating revenues	54,633	54,211	422	0.8
Aircraft fuel and related taxes	10,718	11,418	(700)	(6.1)
Salaries, wages and benefits	17,566	16,021	1,545	9.6
Total operating expenses	53,166	51,597	1,569	3.0
Operating income	1,467	2,614	(1,147)	(43.9)
Pre-tax income	190	1,154	(964)	(83.6)
Income tax provision	79	308	(229)	(74.7)
Net income	111	846	(735)	(86.8)
Pre-tax income – GAAP	$ 190	$ 1,154	$ (964)	(83.6)
Adjusted for: pre-tax net special items [1]	162	667	(505)	(75.7)
Pre-tax income excluding net special items	$ 352	$ 1,821	$ (1,469)	(80.7)

[1] See Part II, Item 6. Selected Consolidated Financial Data – *"Reconciliation of GAAP to Non-GAAP Financial Measures"* and Note 2 to AAG's Consolidated Financial Statements in Part II, Item 8A for details on the components of pre-tax net special items.

Pre-Tax Income and Net Income

Pre-tax income and net income were $190 million and $111 million, respectively, in 2025. This compares to 2024 pre-tax income and net income of $1.2 billion and $846 million, respectively.

Pre-tax income on a GAAP basis decreased in 2025 as compared to 2024. This decrease was driven primarily by increases in certain operating expenses including salaries, wages and benefits, regional expenses and other operating expenses, offset in part by lower costs for aircraft fuel and related taxes, a decrease in pre-tax net special items and higher revenues.

Excluding the effects of pre-tax net special items, pre-tax income was $352 million and $1.8 billion in 2025 and 2024, respectively. The year-over-year decrease in our pre-tax income excluding pre-tax net special items was principally driven by certain operating expenses as mentioned above, offset in part by lower costs for aircraft fuel and related taxes and higher revenues.

Revenue

In 2025, we reported total operating revenues of $54.6 billion, an increase of $422 million, or 0.8%, as compared to 2024. Passenger revenue was $49.6 billion and remained relatively flat as compared to 2024. Our passenger revenue in 2025 was impacted by the American Eagle flight 5342 accident and softness in domestic demand for air travel in the first half of the year, offset by strength in international travel, particularly in the Atlantic and Pacific regions, and recovery in domestic travel in the second half of the year despite the negative revenue impact from the temporary shutdown of the U.S. Government in the fourth quarter of 2025.

Other operating revenue increased $330 million, or 8.7%, in 2025 as compared to 2024, driven primarily by higher revenue associated with our loyalty program. During 2025 and 2024, cash payments from co-branded credit card and other partners were $6.2 billion and $6.1 billion, respectively. Cash remuneration in 2024 included a one-time cash payment related to the new co-branded credit card agreement announced in December 2024. This one-time cash payment will be amortized over the life of the new agreement beginning in 2026.

Our total revenue per available seat mile (TRASM) was 18.25 cents in 2025, a 1.4% decrease as compared to 18.51 cents in 2024.

Fuel

In 2025, aircraft fuel expense totaled $10.7 billion, a decrease of $700 million, or 6.1%, as compared to 2024. This decrease was primarily driven by an 8.2% decrease in the average price per gallon of aircraft fuel including related taxes to $2.39 in 2025 from $2.60 in 2024, offset in part by a 2.2% increase in gallons of fuel consumed due to increased capacity.

As of December 31, 2025, we did not have any fuel hedging contracts outstanding to hedge our fuel consumption. Our current policy is not to enter into transactions to hedge our fuel consumption, although we review this policy from time to time based on market conditions and other factors. As such, and assuming we do not enter into any future transactions to hedge our fuel consumption, we will continue to be fully exposed to fluctuations in fuel prices. See Part I, Item 1A. Risk Factors – "*Our business is very dependent on the price and availability of aircraft fuel. Continued periods of high volatility in fuel costs, increased fuel prices or significant disruptions in the supply of aircraft fuel could have a significant negative impact on consumer demand, our operating results and liquidity.*"

Other Costs

We remain committed to actively managing our cost structure, which we believe is necessary in an industry whose economic prospects are heavily dependent upon two variables we cannot control: general economic conditions and the price of fuel. Additionally, we continue to focus on initiatives to reengineer our business through the use of digital solutions, process enhancements and procurement transformation and we intend to continue to invest in reengineering our business through 2026 and beyond to build an even more efficient airline and continue to manage costs while delivering a better experience for our customers and team.

Our 2025 CASM was 17.76 cents, an increase of 0.8%, from 17.61 cents in 2024. This increase in CASM was primarily driven by higher costs for salaries, wages and benefits, regional expenses and other operating expenses, offset in part by lower aircraft fuel costs as well as a decrease in mainline operating special items, net.

Our 2025 CASM excluding net special items and fuel was 14.12 cents, an increase of 4.6%, from 13.50 cents in 2024, which was primarily driven by higher costs for salaries, wages and benefits, regional expenses and other operating expenses.

For a reconciliation of total operating CASM to total operating CASM excluding net special items and fuel, see Part II, Item 6. Selected Consolidated Financial Data – *"Reconciliation of GAAP to Non-GAAP Financial Measures."*

Liquidity

As of December 31, 2025, we had $9.2 billion in total available liquidity, consisting of $5.8 billion in unrestricted cash and short-term investments and $3.4 billion in total undrawn capacity under revolving credit and other facilities.

During 2025, we completed the following financing transactions (see Notes 1, 4 and 11 to AAG's Consolidated Financial Statements in Part II, Item 8A for further information):

- amended the AAdvantage term loan credit and guaranty agreement to reduce the applicable interest rate margin and to reduce the scheduled quarterly principal amortization amount;
- issued $1.0 billion of incremental term loans pursuant to the AAdvantage term loan credit guaranty agreement (2025 AAdvantage Term Loan Facility), as amended;
- prepaid $487 million of the outstanding principal amounts of certain equipment notes issued under enhanced equipment trust certificates (EETCs);
- increased the aggregate revolving commitments under the 2013, 2014 and 2023 Revolving Facilities from approximately $2.9 billion to $3.0 billion;
- received $432 million of gross proceeds pursuant to special facility revenue bonds issued by the Tulsa Municipal Airport Trust (TMAT), of which a portion was used to fund the redemption of other bonds related to TMAT and the remaining amount will be used to finance the cost of improvements at American's overhaul and maintenance base at Tulsa International Airport;
- prepaid in full $937 million of the outstanding principal amounts of the 10.75% senior secured IP notes (the IP Notes) and the 10.75% senior secured LGA/DCA notes (LGA/DCA Notes and together with the IP Notes, the 10.75% Senior Secured Notes);
- borrowed $629 million under a senior unsecured short-term term loan facility due in January 2026;
- received approximately $978 million in proceeds from EETCs;
- received $840 million in net proceeds from fuel financing transactions; and
- issued $1.2 billion of equipment loans and other notes payable in connection with the financing of certain aircraft.

American Eagle Flight 5342

On January 29, 2025, American Eagle flight 5342 was involved in a fatal accident in Washington, D.C. The Bombardier CRJ700 aircraft operated by PSA was en route to Washington, D.C. from Wichita, Kansas when it was involved in a midair collision near Ronald Reagan Washington National Airport. We estimate that the accident reduced first quarter 2025 total operating revenues by approximately $200 million, of which the impacted revenue is not covered by insurance. Beginning on September 24, 2025, multiple wrongful death and survival actions have been filed against the U.S. Government, PSA and American seeking unspecified damages, and we expect that additional lawsuits will be filed. While we cannot predict the outcome of these lawsuits, American has industry standard insurance coverage for this incident and we believe these lawsuits are without merit and are defending against them vigorously.

AAG's Results of Operations

For a comparison of the 2024 to 2023 reporting periods, see Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – "*AAG's Results of Operations*" of our 2024 Form 10-K.

Operating Statistics

The table below sets forth selected operating data for the years ended December 31, 2025 and 2024.

	Year Ended December 31,		Increase (Decrease)
	2025	2024	
Revenue passenger miles (millions) [(a)]	250,294	248,795	0.6%
Available seat miles (millions) [(b)]	299,411	292,948	2.2%
Passenger load factor (percent) [(c)]	83.6	84.9	(1.3)pts
Yield (cents) [(d)]	19.83	19.93	(0.5)%
Passenger revenue per available seat mile (cents) [(e)]	16.58	16.93	(2.0)%
Total revenue per available seat mile (cents) [(f)]	18.25	18.51	(1.4)%
Fuel consumption (gallons in millions)	4,488	4,391	2.2%
Average aircraft fuel price including related taxes (dollars per gallon)	2.39	2.60	(8.2)%
Total operating cost per available seat mile (cents) [(g)]	17.76	17.61	0.8%
Aircraft at end of period [(h)]	1,580	1,562	1.2%
Full-time equivalent employees at end of period	139,100	133,300	4.4%

(a) Revenue passenger mile (RPM) – A basic measure of sales volume. One RPM represents one passenger flown one mile.

(b) Available seat mile (ASM) – A basic measure of production. One ASM represents one seat flown one mile.

(c) Passenger load factor – The percentage of available seats that are filled with revenue passengers.

(d) Yield – A measure of airline revenue derived by dividing passenger revenue by RPMs.

(e) Passenger revenue per available seat mile (PRASM) – Passenger revenue divided by ASMs.

(f) Total revenue per available seat mile (TRASM) – Total revenues divided by ASMs.

(g) Total operating cost per available seat mile (CASM) – Total operating expenses divided by ASMs.

(h) Includes aircraft owned and leased by American as well as aircraft operated by third-party regional carriers under capacity purchase agreements. Excluded from the aircraft count above as of December 31, 2025 are three Airbus A321XLR mainline aircraft and four Bombardier CRJ900 regional aircraft held in temporary storage.

Operating Revenues

	Year Ended December 31,		Increase	Percent Increase
	2025	2024		
	(In millions, except percentage changes)			
Passenger	$ 49,643	$ 49,586	$ 57	0.1
Cargo	839	804	35	4.3
Other	4,151	3,821	330	8.7
Total operating revenues	$ 54,633	$ 54,211	$ 422	0.8

This table presents our passenger revenue and the year-over-year change in certain operating statistics:

	Year Ended December 31, 2025	Increase (Decrease) vs. Year Ended December 31, 2024					
		Passenger Revenue	RPMs	ASMs	Load Factor	Passenger Yield	PRASM
	(In millions)						
Passenger revenue	$ 49,643	0.1%	0.6%	2.2%	(1.3)pts	(0.5)%	(2.0)%

Passenger revenue remained relatively flat in 2025 as compared to 2024. Our passenger revenue in 2025 was impacted by the American Eagle flight 5342 accident and softness in domestic demand for air travel in the first half of the year, offset by strength in international travel, particularly in the Atlantic and Pacific regions, and recovery in domestic travel in the second half of the year despite the negative revenue impact from the temporary shutdown of the U.S. Government in the fourth quarter of 2025.

Other operating revenue increased $330 million, or 8.7%, in 2025 from 2024 driven primarily by higher revenue associated with our loyalty program. During 2025 and 2024, cash payments from co-branded credit card and other partners were $6.2 billion and $6.1 billion, respectively. Cash remuneration in 2024 included a one-time cash payment related to the new co-branded credit card agreement announced in December 2024. This one-time cash payment will be amortized over the life of the new agreement beginning in 2026.

Operating Expenses

	Year Ended December 31,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Aircraft fuel and related taxes	$ 10,718	$ 11,418	$ (700)	(6.1)
Salaries, wages and benefits	17,566	16,021	1,545	9.6
Regional expenses	5,448	5,042	406	8.1
Maintenance, materials and repairs	3,844	3,794	50	1.3
Other rent and landing fees	3,476	3,303	173	5.2
Aircraft rent	1,220	1,242	(22)	(1.8)
Selling expenses	1,997	1,812	185	10.2
Depreciation and amortization	1,890	1,926	(36)	(1.9)
Mainline operating special items, net	159	610	(451)	(73.9)
Other	6,848	6,429	419	6.5
Total operating expenses	$ 53,166	$ 51,597	$ 1,569	3.0

Aircraft fuel and related taxes decreased $700 million, or 6.1%, in 2025 from 2024 primarily due to an 8.2% decrease in the average price per gallon of aircraft fuel including related taxes to $2.39 in 2025 from $2.60 in 2024, offset in part by a 2.2% increase in gallons of fuel consumed due to increased capacity.

Salaries, wages and benefits increased $1.5 billion, or 9.6%, in 2025 from 2024 primarily due to contractual wage rate increases and higher costs for benefit-related items associated with newly ratified and extended labor agreements reached in 2024, as well as annual contractual wage rate increases in our other labor agreements.

Regional expenses increased $406 million, or 8.1%, in 2025 from 2024 primarily due to an increase in regional flight operations as regional capacity, as measured by ASMs, increased 10.3% year over year. Higher maintenance, materials and repair costs driven by an increase in the volume of airframe heavy checks and cost of materials also contributed to the increase in regional expenses.

Maintenance, materials and repairs increased $50 million, or 1.3%, in 2025 from 2024 primarily due to increased costs for airframe heavy checks and component part repairs driven by higher volume, offset in part by a decrease in the volume of engine overhauls.

Other rent and landing fees increased $173 million, or 5.2%, in 2025 from 2024 primarily due to rate increases at certain airports, offset in part by a decrease in leased engines.

Selling expenses increased $185 million, or 10.2%, in 2025 from 2024 primarily due to an increase in commissions expense, driven by higher costs resulting from renegotiated agency contracts, as well as an increase in advertising expenses. Higher credit card fees driven by higher rates also contributed to the increase in selling expenses.

Other operating expenses increased $419 million, or 6.5%, in 2025 from 2024 primarily driven by increased costs for crew travel, onboard food and catering, ground and cargo handling, and airport lounge operations, as well as certain general and administrative expenses.

Operating Special Items, Net

	Year Ended December 31,	
	2025	2024
	(In millions)	
Litigation reserve adjustments	$ 77	$ —
Labor contract expenses [1]	31	605
Severance expenses	44	13
A330 fleet-related adjustments [2]	—	(42)
Other operating special items, net	7	34
Mainline operating special items, net	159	610
Regional operating special items, net [3]	3	33
Operating special items, net	$ 162	$ 643

[1] Labor contract expenses for 2025 included a one-time charge resulting from adjustments to vacation accruals due to pay rate increases effective January 1, 2025, following the ratification of the contract extension in the fourth quarter of 2024 with our mainline maintenance and fleet service team members.

Labor contract expenses for 2024 included one-time charges resulting from the ratifications of new CBAs with our mainline flight attendants and passenger service team members, including one-time payments and adjustments to vacation accruals resulting from pay rate increases.

[2] In 2024, we entered into a sales agreement for certain Airbus A330 aircraft, resulting in a $42 million gain. These aircraft were previously retired in 2020 as a result of the decline in demand for air travel due to the COVID-19 pandemic.

[3] Regional operating special items, net for 2024 included a $33 million non-cash write down of regional aircraft resulting from the decision to permanently park 43 Embraer ERJ145 aircraft.

Nonoperating Results

	Year Ended December 31,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Interest income	$ 357	$ 468	$ (111)	(23.7)
Interest expense, net	(1,716)	(1,934)	218	(11.2)
Other income, net	82	6	76	nm [1]
Total nonoperating expense, net	$ (1,277)	$ (1,460)	$ 183	(12.5)

[1] Not meaningful or greater than 100% change.

Interest income decreased $111 million, or 23.7%, in 2025 compared to 2024 primarily due to lower interest rates and a decrease in the average balance of our short-term investments, resulting in reduced returns. Interest expense, net decreased $218 million, or 11.2%, in 2025 compared to 2024 primarily due to lower interest rates on our variable-rate debt instruments and lower outstanding debt in 2025, as we continue our efforts to strengthen the balance sheet.

In 2025, other nonoperating income, net included $57 million of non-service related pension and other postretirement benefit plan income, $51 million of net earnings related to our equity investments accounted for under the equity method

and $40 million of mark-to-market net unrealized gains associated with certain equity investments recognized as net special items. These amounts were offset in part by $40 million of net special charges related to debt refinancings and extinguishments and other costs, as well as $15 million of foreign currency losses.

In 2024, other nonoperating income, net included $113 million of non-service related pension and other postretirement benefit plan income, offset in part by $48 million of foreign currency losses, $24 million of net special charges primarily for debt refinancings and extinguishments and mark-to-market net unrealized losses associated with certain equity investments and $24 million of net losses related to our equity investments accounted for under the equity method.

Income Taxes

In 2025, we recorded an income tax provision of $79 million with an effective rate of approximately 41.2%, which was substantially non-cash. Substantially all of our income before income taxes is attributable to the United States. At December 31, 2025, we had approximately $11.9 billion of gross federal NOLs and $6.0 billion of other carryforwards available to reduce future federal taxable income, of which $1.6 billion will expire beginning in 2033 if unused and $16.3 billion can be carried forward indefinitely. We also had approximately $5.0 billion of NOL carryforwards to reduce future state taxable income at December 31, 2025, which will expire in taxable years 2025 through 2045 if unused.

In 2024, we recorded an income tax provision of $308 million at an effective rate of approximately 26.7%, which was substantially non-cash.

See Note 6 to AAG's Consolidated Financial Statements in Part II, Item 8A for additional information on income taxes.

American's Results of Operations

For a comparison of the 2024 to 2023 reporting periods, see Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – "*American's Results of Operations"* of American's 2024 Form 10-K.

Operating Revenues

	Year Ended December 31,			
	2025	2024	Increase	Percent Increase
	(In millions, except percentage changes)			
Passenger	$ 49,643	$ 49,586	$ 57	0.1
Cargo	839	804	35	4.3
Other	4,144	3,814	330	8.7
Total operating revenues	$ 54,626	$ 54,204	$ 422	0.8

Passenger revenue remained relatively flat in 2025 as compared to 2024. American's passenger revenue in 2025 was impacted by the American Eagle flight 5342 accident and softness in domestic demand for air travel in the first half of the year, offset by strength in international travel, particularly in the Atlantic and Pacific regions, and recovery in domestic travel in the second half of the year despite the negative revenue impact from the temporary shutdown of the U.S. Government in the fourth quarter of 2025.

Other operating revenue increased $330 million, or 8.7%, in 2025 from 2024 driven primarily by higher revenue associated with American's loyalty program. During 2025 and 2024, cash payments from co-branded credit card and other partners were $6.2 billion and $6.1 billion, respectively. Cash remuneration in 2024 included a one-time cash payment related to the new co-branded credit card agreement announced in December 2024. This one-time cash payment will be amortized over the life of the new agreement beginning in 2026.

Operating Expenses

	Year Ended December 31,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Aircraft fuel and related taxes	$ 10,718	$ 11,418	$ (700)	(6.1)
Salaries, wages and benefits	17,556	16,012	1,544	9.6
Regional expenses	5,406	5,009	397	7.9
Maintenance, materials and repairs	3,844	3,794	50	1.3
Other rent and landing fees	3,476	3,303	173	5.2
Aircraft rent	1,220	1,242	(22)	(1.8)
Selling expenses	1,997	1,812	185	10.2
Depreciation and amortization	1,884	1,919	(35)	(1.8)
Mainline operating special items, net	159	610	(451)	(73.9)
Other	6,855	6,431	424	6.6
Total operating expenses	$ 53,115	$ 51,550	$ 1,565	3.0

Aircraft fuel and related taxes decreased $700 million, or 6.1%, in 2025 from 2024 primarily due to an 8.2% decrease in the average price per gallon of aircraft fuel including related taxes to $2.39 in 2025 from $2.60 in 2024, offset in part by a 2.2% increase in gallons of fuel consumed due to increased capacity.

Salaries, wages and benefits increased $1.5 billion, or 9.6%, in 2025 from 2024 primarily due to contractual wage rate increases and higher costs for benefit-related items associated with newly ratified and extended labor agreements reached in 2024, as well as annual contractual wage rate increases in American's other labor agreements.

Regional expenses increased $397 million, or 7.9%, in 2025 from 2024 primarily due to an increase in regional flight operations and costs at American's regional carriers.

Maintenance, materials and repairs increased $50 million, or 1.3%, in 2025 from 2024 primarily due to increased costs for airframe heavy checks and component part repairs driven by higher volume, offset in part by a decrease in the volume of engine overhauls.

Other rent and landing fees increased $173 million, or 5.2%, in 2025 from 2024 primarily due to rate increases at certain airports, offset in part by a decrease in leased engines.

Selling expenses increased $185 million, or 10.2%, in 2025 from 2024 primarily due to an increase in commissions expense, driven by higher costs resulting from renegotiated agency contracts, as well as an increase in advertising expenses. Higher credit card fees driven by higher rates also contributed to the increase in selling expenses.

Other operating expenses increased $424 million, or 6.6%, in 2025 from 2024 primarily driven by increased costs for crew travel, onboard food and catering, ground and cargo handling, and airport lounge operations, as well as certain general and administrative expenses.

Operating Special Items, Net

	Year Ended December 31,	
	2025	2024
	(In millions)	
Litigation reserve adjustments	$ 77	$ —
Labor contract expenses [1]	31	605
Severance expenses	44	13
A330 fleet-related adjustments [2]	—	(42)
Other operating special items, net	7	34
Mainline operating special items, net	159	610
Regional operating special items, net [3]	3	33
Operating special items, net	$ 162	$ 643

[1] Labor contract expenses for 2025 included a one-time charge resulting from adjustments to vacation accruals due to pay rate increases effective January 1, 2025, following the ratification of the contract extension in the fourth quarter of 2024 with American's mainline maintenance and fleet service team members.

Labor contract expenses for 2024 included one-time charges resulting from the ratifications of new CBAs with American's mainline flight attendants and passenger service team members, including one-time payments and adjustments to vacation accruals resulting from pay rate increases.

[2] In 2024, American entered into a sales agreement for certain Airbus A330 aircraft, resulting in a $42 million gain. These aircraft were previously retired in 2020 as a result of the decline in demand for air travel due to the COVID-19 pandemic.

[3] Regional operating special items, net for 2024 included a $33 million non-cash write down of regional aircraft resulting from the decision to permanently park 43 Embraer ERJ145 aircraft.

Nonoperating Results

	Year Ended December 31,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Interest income	$ 949	$ 1,058	$ (109)	(10.3)
Interest expense, net	(1,780)	(2,029)	249	(12.3)
Other income, net	81	5	76	nm
Total nonoperating expense, net	$ (750)	$ (966)	$ 216	(22.3)

Interest income decreased $109 million, or 10.3%, in 2025 compared to 2024 primarily due to lower interest rates and a decrease in the average balance of American's short-term investments, resulting in reduced returns. Interest expense, net decreased $249 million, or 12.3%, in 2025 compared to 2024 primarily due to lower interest rates on American's variable-rate debt instruments and lower outstanding debt in 2025, as American continues its efforts to strengthen the balance sheet.

In 2025, other nonoperating income, net included $56 million of non-service related pension and other postretirement benefit plan income, $51 million of net earnings related to American's equity investments accounted for under the equity method and $40 million of mark-to-market net unrealized gains associated with certain equity investments recognized as net special items. These amounts were offset in part by $40 million of net special charges related to debt refinancings and extinguishments and other costs, as well as $15 million of foreign currency losses.

In 2024, other nonoperating income, net included $113 million of non-service related pension and other postretirement benefit plan income, offset in part by $47 million of foreign currency losses, $24 million of net special charges primarily for debt refinancings and extinguishments and mark-to-market net unrealized losses associated with certain equity investments and $24 million of net losses related to American's equity investments accounted for under the equity method.

Income Taxes

American is a member of AAG's consolidated federal and certain state income tax returns.

In 2025, American recorded an income tax provision of $197 million with an effective rate of approximately 25.9%, which was substantially non-cash. Substantially all of American's income before income taxes is attributable to the United States. At December 31, 2025, American had approximately $11.7 billion of gross federal NOLs and $3.8 billion of other carryforwards available to reduce future federal taxable income, of which $1.8 billion will expire beginning in 2033 if unused and $13.7 billion can be carried forward indefinitely. American also had approximately $4.7 billion of NOL carryforwards to reduce future state taxable income at December 31, 2025, which will expire in taxable years 2025 through 2045 if unused.

In 2024, American recorded an income tax provision of $426 million at an effective rate of approximately 25.2%, which was substantially non-cash.

See Note 5 to American's Consolidated Financial Statements in Part II, Item 8B for additional information on income taxes.

Liquidity and Capital Resources

Liquidity

At December 31, 2025, AAG had $9.2 billion in total available liquidity and $735 million in restricted cash and short-term investments. Additional detail regarding our available liquidity is provided in the table below (in millions):

	AAG		American	
	December 31,		December 31,	
	2025	2024	2025	2024
Cash	$ 954	$ 804	$ 936	$ 795
Short-term investments	4,882	6,180	4,880	6,177
Undrawn facilities	3,397	3,289	3,397	3,289
Total available liquidity	$ 9,233	$ 10,273	$ 9,213	$ 10,261

In the ordinary course of our business, we or our affiliates may, at any time and from time to time, seek to prepay, retire or repurchase our outstanding debt through cash purchases and/or exchanges for equity or debt, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases, prepayments, retirements or exchanges, if any, will be conducted on such terms and at such prices as we may determine, and will depend on prevailing market conditions, our liquidity requirements, legal and contractual restrictions and other factors. The amounts involved may be material.

Certain Covenants

Our debt agreements contain customary terms and conditions as well as various affirmative, negative and financial covenants that, among other things, may restrict our ability and that of our subsidiaries to incur additional indebtedness, pay dividends or repurchase stock. Our debt agreements also contain customary change of control provisions, which may require us to repay or redeem such indebtedness upon certain events constituting a change of control under the relevant agreement, in certain cases at a premium. Additionally, certain of our debt financing agreements (including our secured notes, term loans, revolving credit facilities and spare engine EETCs) contain loan to value (LTV) or collateral coverage ratio covenants and certain agreements require us to appraise the related collateral annually or semiannually. Pursuant to such agreements, if the applicable LTV or collateral coverage ratio exceeds or falls below a specified threshold, as the case may be, we will be required, as applicable, to pledge additional qualifying collateral (which in some cases may include cash or investment securities), withhold additional cash in certain accounts, or pay down such financing, in whole or in part, or the interest rate for the relevant financing will be increased. Additionally, a significant portion of our debt financing agreements contain covenants requiring us to maintain an aggregate of at least $2.0 billion of unrestricted cash and cash equivalents and amounts available to be drawn under revolving credit facilities. Our AAdvantage Financing contains a peak debt service coverage ratio, pursuant to which failure to comply with a certain threshold may result in early repayment, in whole or in part, of the AAdvantage Financing. As of the most recent applicable measurement dates, we were in compliance with each of the foregoing covenants. For further information regarding our debt covenants, see Note 4 to AAG's Consolidated Financial Statements in Part II, Item 8A and Note 3 to American's Consolidated Financial Statements in Part II, Item 8B.

Sources and Uses of Cash

For a comparison of the 2024 and 2023 reporting periods, see Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – "*Sources and Uses of Cash"* of our 2024 Form 10-K.

AAG

Operating Activities

Our net cash provided by operating activities was $3.1 billion and $4.0 billion in 2025 and 2024, respectively, an $884 million year-over-year decrease driven by lower profitability and net changes in working capital.

Investing Activities

Our net cash used in investing activities was $1.9 billion and $968 million in 2025 and 2024, respectively.

Our principal investing activities in 2025 included $3.8 billion of capital expenditures, which primarily related to the purchase of 23 Boeing 737 MAX aircraft, 12 Embraer E175 aircraft, eight Bombardier CRJ900 aircraft, six Boeing 787-9 aircraft, five Airbus A321XLR aircraft, two Boeing 737-800 aircraft lease repurchases, one Airbus A321neo aircraft, one Airbus A320 aircraft lease repurchase and eight aircraft engines. These cash outflows were offset in part by $1.3 billion in net sales of short-term investments and $344 million in proceeds from sale-leaseback transactions and sale of property and equipment, which primarily related to the modernization of Terminals 4 and 5 at LAX and sale of certain of our A330 aircraft. Additionally, we had $328 million in net proceeds from the issuance of the TMAT special facility revenue bonds.

Our principal investing activities in 2024 included $2.7 billion of capital expenditures, which primarily related to the purchase of 16 Embraer E175 aircraft, six Boeing 737 MAX aircraft, four Airbus A321neo aircraft**,** four Boeing 737-800 aircraft lease repurchases, two Bombardier CRJ900 aircraft, one Airbus A320 aircraft lease repurchase, 48 aircraft engines and aircraft purchase deposits. These cash outflows were offset in part by $819 million in net sales of short-term investments and $654 million of proceeds from sale-leaseback transactions and sale of property and equipment, which primarily related to the modernization of Terminals 4 and 5 at LAX.

Financing Activities

Our net cash used in financing activities was $1.1 billion and $2.8 billion in 2025 and 2024, respectively.

Our principal financing activities in 2025 included $5.5 billion in long-term debt and finance lease repayments, consisting of $4.1 billion in scheduled repayments, including the $1.0 billion cash settlement of AAG's 6.50% convertible senior notes. Debt and finance lease repayments also included the early repayments of $937 million for the outstanding principal amounts of the 10.75% Senior Secured Notes and $487 million for the outstanding principal amount of equipment notes issued under EETCs. These cash outflows were offset in part by $3.8 billion of proceeds from issuance of long-term debt, consisting of $1.2 billion from the issuance of equipment loans and other notes payable, $978 million from the issuance of EETCs in connection with the financing of certain aircraft, $1.0 billion from the issuance of the 2025 AAdvantage Term Loan Facility and $629 million under a senior unsecured short-term term loan facility due January 2026. Additionally, we had $840 million in net proceeds from fuel financing transactions.

Our principal financing activities in 2024 included $4.5 billion in long-term debt and finance lease repayments, consisting of $3.7 billion in scheduled repayments and the early repayments of $487 million of the outstanding principal amount of the 3.75% Senior Notes and $263 million toward portions of the outstanding principal amounts of the 10.75% Senior Secured Notes. These cash outflows were offset in part by $1.7 billion of proceeds from issuance of long-term debt, consisting of $990 million from the issuance of equipment loans and other notes payable and $684 million from the issuance of EETCs in connection with the financing of certain aircraft that had previously been delivered.

American

Operating Activities

American's net cash provided by operating activities was $1.9 billion and $3.4 billion in 2025 and 2024, respectively, a $1.5 billion year-over-year decrease driven by a net increase in receivables from related parties, including the scheduled repayment of AAG's $1.0 billion 6.50% convertible senior notes. Excluding this net increase in receivables from related parties, American's operating cash flows decreased $877 million compared to 2024 due to lower profitability and net changes in working capital.

Investing Activities

American's net cash used in investing activities was $1.8 billion and $909 million in 2025 and 2024, respectively.

American's principal investing activities in 2025 included $3.7 billion of capital expenditures, which primarily related to the purchase of 23 Boeing 737 MAX aircraft, 12 Embraer E175 aircraft, eight Bombardier CRJ900 aircraft, six Boeing 787-9 aircraft, five Airbus A321XLR aircraft, two Boeing 737-800 aircraft lease repurchases, one Airbus A321neo aircraft, one Airbus A320 aircraft lease repurchase and eight aircraft engines. These cash outflows were offset in part by $1.3 billion in net sales of short-term investments and $343 million in proceeds from sale-leaseback transactions and sale of property and equipment, which primarily related to the modernization of Terminals 4 and 5 at LAX and sale of certain of American's A330 aircraft. Additionally, American had $328 million in net proceeds from the issuance of the TMAT special facility revenue bonds.

American's principal investing activities in 2024 included $2.6 billion of capital expenditures, which primarily related to the purchase of 16 Embraer E175 aircraft, six Boeing 737 MAX aircraft, four Airbus A321neo aircraft**,** four Boeing 737-800 aircraft lease repurchases, two Bombardier CRJ900 aircraft, one Airbus A320 aircraft lease repurchase, 48 aircraft engines and aircraft purchase deposits. These cash outflows were offset in part by $819 million in net sales of short-term investments and $654 million of proceeds from sale-leaseback transactions and sale of property and equipment, which primarily related to the modernization of Terminals 4 and 5 at LAX.

Financing Activities

American's net cash used in financing activities was $47 million and $2.3 billion in 2025 and 2024, respectively.

American's principal financing activities in 2025 included $4.5 billion in long-term debt and finance lease repayments, consisting of $3.1 billion in scheduled repayments and the early repayments of $937 million for the outstanding principal amounts of the 10.75% Senior Secured Notes and $487 million for the outstanding principal amount of equipment notes issued under EETCs. These cash outflows were offset in part by $3.8 billion of proceeds from issuance of long-term debt, consisting of $1.2 billion from the issuance of equipment loans and other notes payable, $978 million from the issuance of EETCs in connection with the financing of certain aircraft, $1.0 billion from the issuance of the 2025 AAdvantage Term Loan Facility and $629 million under a senior unsecured short-term term loan facility due January 2026. Additionally, American had $840 million in net proceeds from fuel financing transactions.

American's principal financing activities in 2024 included $4.0 billion in long-term debt and finance lease repayments, consisting of $3.7 billion in scheduled repayments and the early repayment of $263 million toward portions of the outstanding principal amounts of the 10.75% Senior Secured Notes. These cash outflows were offset in part by $1.7 billion of proceeds from issuance of long-term debt, consisting of $990 million from the issuance of equipment loans and other notes payable and $684 million from the issuance of EETCs in connection with the financing of certain aircraft that had previously been delivered.

Commitments

For further information regarding our commitments, see the Notes to AAG's Consolidated Financial Statements in Part II, Item 8A and the Notes to American's Consolidated Financial Statements in Part II, Item 8B at the referenced footnotes below.

	AAG	American
Debt	Note 4	Note 3
Leases	Note 5	Note 4
Employee Benefit Plans	Note 9	Note 8
Commitments, Contingencies and Guarantees	Note 11	Note 10

Off-Balance Sheet Arrangements

An off-balance sheet arrangement is any transaction, agreement or other contractual arrangement involving an unconsolidated entity under which a company has (1) made guarantees, (2) a retained or a contingent interest in transferred assets, (3) an obligation under derivative instruments classified as equity or (4) any obligation arising out of a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to us, or that engages in leasing, hedging or research and development arrangements with us.

We have no off-balance sheet arrangements of the types described in the first three categories above that we believe may have a material current or future effect on financial condition, liquidity or results of operations.

Pass-Through Trusts

American currently has 280 owned aircraft and 60 owned spare aircraft engines, which in each case were financed with EETCs issued by pass-through trusts. These trusts are off-balance sheet entities, the primary purpose of which is to finance the acquisition of flight equipment or to permit issuance of debt backed by existing flight equipment. In the case of aircraft EETCs, rather than finance each aircraft separately when such aircraft is purchased, delivered or refinanced, these trusts allow American to raise the financing for a number of aircraft at one time and, if applicable, place such funds in escrow pending a future purchase, delivery or refinancing of the relevant aircraft. Similarly, in the case of spare engine EETCs, the trusts allow American to use its existing pool of spare engines to raise financing under a single facility. The trusts have also been structured to provide for certain credit enhancements, such as liquidity facilities to cover certain interest payments, that reduce the risks to the purchasers of the trust certificates and, as a result, reduce the cost of aircraft financing to American.

Each trust covers a set number of aircraft or spare engines scheduled to be delivered, financed or refinanced upon the issuance of the EETC or within a specific period of time thereafter. At the time of each covered aircraft or spare engine financing, the relevant trust used the proceeds from the issuance of the EETC (which may have been available at the time of issuance thereof or held in escrow until financing of the applicable aircraft following its delivery) to purchase equipment notes relating to the financed aircraft or engines. The equipment notes are issued, at American's election, in connection with a mortgage financing of the aircraft or spare engines. The equipment notes are secured by a security interest in the aircraft or engines, as applicable. The pass-through trust certificates are not direct obligations of, nor are they guaranteed by, AAG or American. However, the equipment notes issued to the trusts are direct obligations of American and, in certain instances, have been guaranteed by AAG. As of December 31, 2025, $6.9 billion associated with these mortgage financings is reflected as debt in the accompanying consolidated balance sheet.

Letters of Credit and Other

We provide financial assurance, such as letters of credit and surety bonds, primarily to support projected workers' compensation obligations and airport commitments. As of December 31, 2025, we had $412 million of letters of credit and surety bonds securing various obligations, of which $97 million is collateralized with our restricted cash. The letters of credit and surety bonds that are subject to expiration will expire on various dates through 2037.

Contractual Obligations

The following table provides details of our estimated material cash requirements from contractual obligations as of December 31, 2025 (in millions). The table does not include commitments that are contingent on events or other factors that are uncertain or unknown at this time and is subject to other conventions as set forth in the applicable accompanying footnotes.

	Payments Due by Period						
	2026	2027	2028	2029	2030	2031 and Thereafter	Total
American [a]							
Long-term debt:							
Principal amount [b], [d] (See Note 3)	$ 3,641	$ 4,455	$ 7,324	$ 4,045	$ 730	$ 4,653	$ 24,848
Interest obligations [c], [d]	1,267	1,039	739	420	276	770	4,511
Finance lease obligations (See Note 4)	161	152	110	102	100	310	935
Aircraft and engine purchase commitments [e] (See Note 10(a))	2,931	2,468	4,021	4,921	3,151	6,696	24,188
Operating lease commitments (See Note 4)	1,487	1,358	1,238	1,131	948	2,987	9,149
Regional capacity purchase agreements [f] (See Note 10(b))	1,159	1,156	1,082	900	457	399	5,153
Minimum pension obligations [g] (See Note 8)	236	89	21	—	—	—	346
Retiree medical and other postretirement benefits [g] (See Note 8)	111	113	116	115	112	588	1,155
Other purchase obligations [h] (See Note 10(a))	4,112	1,803	1,557	493	615	3,724	12,304
Total American Contractual Obligations	15,105	12,633	16,208	12,127	6,389	20,127	82,589
AAG Parent and Other AAG Subsidiaries [a]							
Long-term debt:							
Principal amount [b] (See Note 4)	—	—	—	—	1,757	1,989	3,746
Interest obligations [c]	172	197	201	208	171	49	998
Finance lease obligations (See Note 5)	3	—	—	—	—	—	3
Operating lease commitments (See Note 5)	14	9	8	7	6	35	79
Minimum pension obligations [g] (See Note 9)	2	1	1	1	1	1	7
Other purchase obligations (See Note 11(a))	14	12	5	2	—	—	33
Total AAG Contractual Obligations	$ 15,310	$ 12,852	$ 16,423	$ 12,345	$ 8,324	$ 22,201	$ 87,455

[a] For additional information, see the Notes to AAG's and American's Consolidated Financial Statements in Part II, Items 8A and 8B, respectively, referenced in the table above.

[b] Amounts represent contractual amounts due. Excludes $313 million and $1 million of unamortized debt discount, premium and issuance costs as of December 31, 2025 for American and AAG Parent, respectively.

[c] For variable-rate debt, future interest obligations are estimated using the current forward rates at December 31, 2025.

[d] Includes $6.9 billion of future principal payments and $1.0 billion of future interest payments as of December 31, 2025, related to EETCs associated with mortgage financings of certain aircraft and spare engines.

[e] See Part I, Item 2. Properties – *"Aircraft and Engine Purchase Commitments"* for additional information about the firm commitments for the acquisition of aircraft and engines, including the anticipated aircraft delivery schedule. Due to uncertainty surrounding the timing of delivery of certain aircraft, the amounts in the table represent our most current estimate based on contractual delivery schedules adjusted for updates and revisions to such schedules communicated to management by the applicable equipment manufacturer and certain management assumptions. However, the actual delivery schedule may differ, potentially materially, based on various potential factors including production delays by the equipment manufacturers and regulatory concerns.

(f) These commitments are estimates of costs based on assumed minimum levels of flying under the capacity purchase agreements and American's actual payments could differ materially.

(g) Represents minimum pension contributions and expected contributions to our retiree medical and other post-retirement plans based on actuarially determined estimates as of December 31, 2025 and is based on estimated payments through 2035. In January 2026, we made required contributions of $236 million and a supplemental contribution of $50 million to our defined benefit pension plans.

(h) Includes purchase commitments for aircraft fuel, flight equipment maintenance and information technology support and excludes obligations under certain fuel offtake agreements or other agreements for which the timing of the related expenditure is uncertain, or which are subject to material contingencies, such as the construction of a production facility.

Capital Raising Activity and Other Possible Actions

In light of our significant financial commitments related to, among other things, the servicing and amortization of existing debt and equipment leasing arrangements and new flight equipment, we and our subsidiaries will regularly consider, and enter into negotiations related to, capital raising and liability management activity, which may include the entry into leasing transactions and future issuances of, and transactions designed to manage the timing and amount of, secured or unsecured debt obligations or additional equity or equity-linked securities in public or private offerings or otherwise. The cash available from operations (if any) and these sources, however, may not be sufficient to cover our cash obligations because economic factors may reduce the amount of cash generated by operations or increase costs. For instance, an economic downturn or general global instability caused by governmental actions, military actions, terrorism, disease outbreaks, natural disasters or other causes could reduce the demand for air travel, which would reduce the amount of cash generated by operations. See Part I, Item 1A. Risk Factors – *"Downturns in economic conditions could adversely affect our business"* for additional discussion. An increase in costs, either due to an increase in borrowing costs caused by a reduction in credit ratings or a general increase in interest rates, due to an increase in the cost of fuel, maintenance, aircraft, aircraft engines or parts, or due to an increase in tariffs, could decrease the amount of cash available to cover cash contractual obligations. Moreover, certain of our financing arrangements contain significant minimum cash balance or similar liquidity requirements. As a result, we cannot use all of our available cash to fund operations, capital expenditures and cash obligations without violating these requirements. See Note 4 to AAG's Consolidated Financial Statements in Part II, Item 8A and Note 3 to American's Consolidated Financial Statements in Part II, Item 8B for information regarding our financing arrangements.

In the past, we have from time to time refinanced, redeemed or repurchased our debt and taken other steps to reduce or otherwise manage the aggregate amount and cost of our debt, lease and other obligations or otherwise improve our balance sheet. Going forward, depending on market conditions, our cash position and other considerations, we may continue to take such actions, and the amounts involved may be material.

OTHER INFORMATION

Basis of Presentation

See Note 1 to each of AAG's and American's Consolidated Financial Statements in Part II, Items 8A and 8B, respectively, for information regarding the basis of presentation.

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the date of the financial statements. We believe our estimates and assumptions are reasonable; however, actual results could differ from those estimates. Critical accounting policies are defined as those that are reflective of significant judgments and uncertainties and could potentially result in materially different results under different assumptions and conditions. We have identified the following critical accounting policies that impact the preparation of our consolidated financial statements. See the "*Basis of Presentation and Summary of Significant Accounting Policies*" included in Note 1 to each of AAG's and American's Consolidated Financial Statements in Part II, Items 8A and 8B, respectively, for additional discussion of the application of these estimates and other accounting policies.

Passenger Revenue

We recognize all revenues generated from transportation on American and our regional flights operated under the brand name American Eagle, including associated baggage fees and other inflight services, as passenger revenue when transportation is provided. Ticket and other related sales for transportation that has not yet been provided are initially deferred and recorded as air traffic liability on our consolidated balance sheets. The air traffic liability principally represents tickets sold for future travel on American, American Eagle and partner airlines.

The contract duration of passenger tickets is generally one year. The majority of tickets sold are nonrefundable. A small percentage of tickets, some of which are partially used tickets, expire unused. The estimate for tickets expected to expire unused is generally based on an analysis of our historical data and other current applicable factors such as policy changes. We have consistently applied this accounting method to estimate and recognize revenue from unused tickets at the date of travel. This estimate is periodically evaluated based on subsequent activity to validate its accuracy. Any adjustments resulting from periodic evaluations of the estimated air traffic liability are included in passenger revenue during the period in which the evaluations are completed.

Loyalty Revenue

We currently operate the loyalty program, AAdvantage. This program awards mileage credits to passengers who fly on American, American Eagle, any **one**world airline or other partner airlines, or by using the services of other program participants, such as our co-branded credit cards, and certain hotels and car rental companies. Mileage credits can be redeemed for travel on American, American Eagle and other participating partner airlines, as well as for other non-air travel awards such as car rentals, hotel stays, cruises and retail goods from program partners. For mileage credits earned by AAdvantage program members, we apply the deferred revenue method.

Mileage credits earned through travel

For mileage credits earned through travel, we apply a relative selling price approach whereby the total amount collected from each passenger ticket sale is allocated between the air transportation and the mileage credits earned. The portion of each passenger ticket sale attributable to mileage credits earned is initially deferred and then recognized in passenger revenue when mileage credits are redeemed and transportation is provided. The estimated selling price of mileage credits is determined using an equivalent ticket value approach, which uses historical data, including award redemption patterns by geographic region and class of service, as well as similar cash fares as those used to settle award redemptions. The estimated selling price of mileage credits is adjusted for an estimate of mileage credits that will not be redeemed using a statistical model based on historical redemption patterns to develop an estimate of the likelihood of future redemption. For the year ended December 31, 2025, a hypothetical 10% increase in the estimated selling price of mileage credits would have decreased revenues by approximately $155 million primarily as a result of additional amounts deferred from passenger ticket sales to be recognized in future periods.

Mileage credits sold to co-branded credit card and other partners

We sell mileage credits to participating airline partners and non-airline business partners, including our co-branded credit card partner, under contracts with remaining terms generally from one to 10 years as of December 31, 2025. Consideration received from the sale of mileage credits is predominantly variable and payment terms typically are within 30 days subsequent to the month of mileage sale. Sales of mileage credits to co-branded credit card and non-airline business partners are comprised of two revenue elements: a transportation component and a marketing component. We allocate the consideration received from these sales of mileage credits based on the relative selling price of each product or service delivered.

Our most significant mileage credit partner agreement is our co-branded credit card agreement with Citi. In December 2024, we announced a 10-year agreement with Citi and Citi became the exclusive issuer of the AAdvantage co-branded credit card portfolio in the U.S. starting in 2026.

The transportation component represents the estimated selling price of future travel awards and is determined using the same equivalent ticket value approach described above. The portion of each mileage credit sold attributable to transportation is initially deferred and then recognized in passenger revenue when mileage credits are redeemed and transportation is provided.

The marketing component includes the use of intellectual property, including the American brand and access to loyalty program member lists, which is the predominant element in these agreements, as well as advertising and other travel-related benefits. We recognize the marketing component in other revenue in the period of the mileage credit sale following the sales-based royalty method.

For the portion of our outstanding mileage credits that we estimate will not be redeemed, we recognize the associated value proportionally as the remaining mileage credits are redeemed. Our estimates use a statistical model based on historical redemption patterns to develop an estimate of the likelihood of future redemption. For the year ended December 31, 2025, a hypothetical 10% increase in our estimate of mileage credits not expected to be redeemed would have increased revenues by approximately $140 million.

Pensions and Retiree Medical and Other Postretirement Benefits

We recognize the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of our pension and retiree medical and other postretirement benefits plans on the consolidated balance sheets with a corresponding adjustment to accumulated other comprehensive income (loss).

Our pension and retiree medical and other postretirement benefits costs and liabilities are calculated using various actuarial assumptions and methodologies. We use certain assumptions including, but not limited to, the selection of the discount rate and expected return on plan assets.

As of December 31, 2025, our weighted average discount rate assumptions were 5.5% and 5.3% for our pension and retiree medical and other postretirement benefits obligations, respectively. When establishing the discount rate to measure our obligations, we match high quality corporate bonds available in the marketplace whose cash flows approximate our projected benefit disbursements. Lowering the discount rate by 50 basis points as of December 31, 2025 would increase our pension and retiree medical and other postretirement benefits obligations by approximately $635 million and $40 million, respectively, and decrease estimated 2026 pension and retiree medical and other postretirement benefits expense by approximately $10 million and $1 million, respectively.

As of January 1, 2026, our expected rate of return on plan assets is 7.3%. The expected rate of return on plan assets is based upon an evaluation of our historical trends and experience, taking into account current and expected market conditions and our target asset allocation of 45% U.S. fixed income securities, 18% U.S. stocks, 25% private investments, 9% international developed market stocks and 3% emerging market stocks. The expected rate of return on plan assets component of our net periodic benefit cost is calculated based on the fair value of plan assets and our target asset allocation. Lowering the expected long-term rate of return on plan assets by 50 basis points would increase estimated 2026 pension expense by approximately $60 million.

Annually, we review and revise certain economic and demographic assumptions including the pension and retiree medical and other postretirement benefits discount rates, health care costs and certain other retirement assumptions. The net effect of changing these assumptions for the pension plans resulted in an increase of $238 million in the projected benefit obligation at December 31, 2025. The net effect of changing these assumptions for retiree medical and other postretirement benefits plans resulted in a decrease of $10 million in the accumulated postretirement benefit obligation at December 31, 2025.

See Note 9 to AAG's Consolidated Financial Statements in Part II, Item 8A and Note 8 to American's Consolidated Financial Statements in Part II, Item 8B for additional information regarding our employee benefit plans.

Income Taxes

Our ability to use our NOLs and other carryforwards depends on the amount of taxable income generated in future periods. We provide a valuation allowance for our deferred tax assets, which include our NOLs and other carryforwards, when it is more likely than not that some portion, or all of our deferred tax assets, will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. We consider all available positive and negative evidence and make certain assumptions in evaluating the realizability of our deferred tax assets. Many factors are considered that impact our assessment of future profitability, including conditions which are beyond our control, such as the health of the economy, the availability and price volatility of aircraft fuel and travel demand. We have determined that positive factors outweigh negative factors in the determination of the realizability of our deferred tax assets. There can be no assurance that an additional valuation allowance on our net deferred tax assets will not be required. Such valuation allowance could be material.

Recent Accounting Pronouncements

Accounting Standards Update (ASU) 2024-03: Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-04) Disaggregation of Income Statement Expenses

This standard enhances transparency in reporting by requiring disaggregation of certain costs and expenses in the notes to financial statements. This update is effective for annual periods beginning after December 15, 2026 and interim periods within annual periods beginning after December 15, 2027, and early adoption is permitted. We are currently evaluating how the adoption of this standard may impact our disclosures.

ASU 2025-06: Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) Targeted Improvements to the Accounting for Internal-Use Software

This standard modernizes the accounting for costs related to internal-use software by removing references to project stages and by clarifying the thresholds entities apply to begin capitalizing costs. The amendments in this update are effective for interim and annual periods beginning after December 15, 2027, and early adoption is permitted. We are currently evaluating how the adoption of this standard may impact our consolidated financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The risk inherent in our market risk sensitive instruments and positions is the potential loss arising from adverse changes in the price of aircraft fuel, foreign currency exchange rates and interest rates as discussed below. The sensitivity analyses presented do not consider the effects that such adverse changes may have on overall economic activity, nor do they consider additional actions we may take to mitigate our exposure to such changes. Therefore, actual results may differ.

Aircraft Fuel

Our operating results are materially impacted by changes in the availability, price volatility and cost of aircraft fuel, which represents one of the largest single cost items in our business. Because of the amount of fuel needed to operate our business, even a relatively small increase or decrease in the price of aircraft fuel can have a material effect on our operating results and liquidity. Market prices for aircraft fuel have fluctuated substantially over the past several years and prices continue to be highly volatile, with market spot prices ranging from a low of approximately $1.83 per gallon to a high of approximately $3.82 per gallon during the period from January 1, 2023 to December 31, 2025.

As of December 31, 2025, we did not have any fuel hedging contracts outstanding to hedge our fuel consumption. Our current policy is not to enter into transactions to hedge our fuel consumption, although we review this policy from time to time based on market conditions and other factors. As such, and assuming we do not enter into any future transactions to hedge our fuel consumption, we will continue to be fully exposed to fluctuations in fuel prices. Based on our 2026 forecasted fuel consumption, we estimate that a one cent per gallon increase in the price of aircraft fuel would increase our 2026 annual fuel expense by approximately $50 million.

Foreign Currency

We are exposed to the effect of foreign exchange rate fluctuations on the U.S. dollar value of foreign currency-denominated transactions. Our largest exposure comes from the Euro, Canadian dollar, British pound sterling and various Latin American currencies (primarily the Brazilian real). We do not currently have a foreign currency hedge program. We estimate a uniform 10% strengthening in the value of the U.S. dollar from 2025 levels relative to each of the currencies in which we have foreign currency exposure would have resulted in a decrease in pre-tax income of approximately $140 million for the year ended December 31, 2025.

Generally, fluctuations in foreign currencies, including devaluations, cannot be predicted by us and can significantly affect the value of our assets located outside the United States. These conditions, devaluations or imposition of more stringent repatriation restrictions, may materially adversely affect our business, results of operations and financial condition. See Part I, Item 1A. Risk Factors – *"We operate a global business with international operations that are subject to economic and political instability and have been, and in the future may continue to be, adversely affected by numerous events, circumstances or government actions beyond our control"* for additional discussion of this and other currency risks.

Interest

Our earnings and cash flow are affected by changes in interest rates due to the impact those changes have on our interest expense from variable-rate debt instruments and our interest income from short-term, interest-bearing investments.

Our largest exposure with respect to variable-rate debt comes from changes in the relevant benchmark rate underlying such debt financings, principally the Secured Overnight Financing Rate (SOFR). Variable-rate debt instruments represented 47% of our total long-term debt as of December 31, 2025. We currently do not have an interest rate hedge program to hedge our exposure to floating interest rates on our variable-rate debt obligations. If annual interest rates increase 100 basis points, based on our December 31, 2025 variable-rate debt and short-term investments balances, annual interest expense on variable-rate debt would increase by approximately $130 million and annual interest income on short-term investments would increase by approximately $60 million. Additionally, the fair value of fixed-rate debt would have decreased by approximately $410 million for AAG and $320 million for American.

ITEM 8A. CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA OF AMERICAN AIRLINES GROUP INC.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
American Airlines Group Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of American Airlines Group Inc. and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, cash flows, and stockholders' deficit for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 18, 2026 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Sufficiency of audit evidence over the realizability of tax net operating loss and other carryforwards

As discussed in Notes 1(i) and 6 to the consolidated financial statements, the Company had $4.1 billion of tax net operating loss and other carryforwards, which are recorded as deferred tax assets at December 31, 2025. Deferred tax assets are recognized related to tax net operating loss and other carryforwards that will reduce future taxable income. The Company provides a valuation allowance for deferred tax assets when it is more likely than not that some portion, or all of the deferred tax assets, will not be realized. In evaluating the need for a valuation allowance, management considers the weighting of all available positive and negative evidence.

We identified the evaluation of the sufficiency of audit evidence over the realizability of federal tax net operating loss and other carryforwards as a critical audit matter. Evaluating the sufficiency of audit evidence required subjective auditor judgment in order to assess the extent of procedures performed in assessing the realizability of the federal tax net operating loss and other carryforwards.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's deferred tax asset valuation allowance process, including controls related to the realizability of federal tax net operating loss and other carryforwards. We evaluated positive and negative evidence used in assessing whether the federal tax net operating loss and other carryforwards were more likely than not to be realized in the future. We evaluated the reasonableness of management's projections of future profitability considering historical profitability of the Company, and consistency with industry data. We involved tax professionals with specialized skills and knowledge, who assisted in evaluating the application of tax law. We assessed the sufficiency of audit evidence obtained over the realizability of the federal tax net operating loss and other carryforwards by evaluating the cumulative results of the audit procedures.

/s/ KPMG LLP

We have served as the Company's auditor since 2014.

Dallas, Texas
February 18, 2026

AMERICAN AIRLINES GROUP INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except share and per share amounts)

	Year Ended December 31,		
	2025	2024	2023
Operating revenues:			
Passenger	$ 49,643	$ 49,586	$ 48,512
Cargo	839	804	812
Other	4,151	3,821	3,464
Total operating revenues	54,633	54,211	52,788
Operating expenses:			
Aircraft fuel and related taxes	10,718	11,418	12,257
Salaries, wages and benefits	17,566	16,021	14,580
Regional expenses	5,448	5,042	4,643
Maintenance, materials and repairs	3,844	3,794	3,265
Other rent and landing fees	3,476	3,303	2,928
Aircraft rent	1,220	1,242	1,369
Selling expenses	1,997	1,812	1,799
Depreciation and amortization	1,890	1,926	1,936
Special items, net	159	610	971
Other	6,848	6,429	6,006
Total operating expenses	53,166	51,597	49,754
Operating income	1,467	2,614	3,034
Nonoperating income (expense):			
Interest income	357	468	591
Interest expense, net	(1,716)	(1,934)	(2,145)
Other income (expense), net	82	6	(359)
Total nonoperating expense, net	(1,277)	(1,460)	(1,913)
Income before income taxes	190	1,154	1,121
Income tax provision	79	308	299
Net income	$ 111	$ 846	$ 822
Earnings per common share:			
Basic	$ 0.17	$ 1.29	$ 1.26
Diluted	$ 0.17	$ 1.24	$ 1.21
Weighted average shares outstanding (in thousands):			
Basic	659,964	656,996	653,612
Diluted	661,052	721,300	719,669

See accompanying notes to consolidated financial statements.

AMERICAN AIRLINES GROUP INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

	Year Ended December 31,		
	2025	2024	2023
Net income	$ 111	$ 846	$ 822
Other comprehensive income (loss), net of tax:			
Pension, retiree medical and other postretirement benefits	176	327	(312)
Investments	—	2	3
Total other comprehensive income (loss), net of tax	176	329	(309)
Total comprehensive income	$ 287	$ 1,175	$ 513

See accompanying notes to consolidated financial statements.

AMERICAN AIRLINES GROUP INC.
CONSOLIDATED BALANCE SHEETS
(In millions, except share and par value amounts)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash	$ 954	$ 804
Short-term investments	4,882	6,180
Restricted cash and short-term investments	735	732
Accounts receivable, net	2,075	2,006
Aircraft fuel, spare parts and supplies, net	2,792	2,638
Prepaid expenses and other	767	794
Total current assets	12,205	13,154
Operating property and equipment		
Flight equipment	46,597	43,521
Ground property and equipment	10,479	10,202
Equipment purchase deposits	656	1,012
Total property and equipment, at cost	57,732	54,735
Less accumulated depreciation and amortization	(25,192)	(23,608)
Total property and equipment, net	32,540	31,127
Operating lease right-of-use assets	7,091	7,333
Other assets		
Goodwill	4,091	4,091
Intangibles, net of accumulated amortization of $848 and $841, respectively	2,066	2,044
Deferred tax asset	2,368	2,485
Other assets	1,413	1,549
Total other assets	9,938	10,169
Total assets	$ 61,774	$ 61,783
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Current maturities of long-term debt and finance leases	$ 3,753	$ 5,322
Accounts payable	2,840	2,455
Accrued salaries and wages	2,128	2,150
Air traffic liability	7,158	6,759
Loyalty program liability	3,725	3,556
Operating lease liabilities	1,058	1,092
Fuel financing	914	74
Other accrued liabilities	2,916	2,887
Total current liabilities	24,492	24,295
Noncurrent liabilities		
Long-term debt and finance leases, net of current maturities	25,254	25,154
Pension and postretirement benefits	1,568	2,128
Loyalty program liability	6,839	6,498
Operating lease liabilities	5,905	5,976
Other liabilities	1,443	1,709
Total noncurrent liabilities	41,009	41,465
Commitments and contingencies (Note 11)		
Stockholders' equity (deficit)		
Common stock, $0.01 par value; 1,750,000,000 shares authorized, 660,301,080 shares issued and outstanding at December 31, 2025; 657,566,166 shares issued and outstanding at December 31, 2024	7	7
Additional paid-in capital	7,387	7,424
Accumulated other comprehensive loss	(4,389)	(4,565)
Retained deficit	(6,732)	(6,843)
Total stockholders' deficit	(3,727)	(3,977)
Total liabilities and stockholders' equity (deficit)	$ 61,774	$ 61,783

See accompanying notes to consolidated financial statements.

AMERICAN AIRLINES GROUP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31,		
	2025	**2024**	**2023**
Cash flows from operating activities:			
Net income	$ 111	$ 846	$ 822
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,219	2,245	2,254
Debt extinguishment costs	20	9	267
Special items, net non-cash	(17)	(1)	41
Pension and postretirement	(31)	(82)	(13)
Deferred income tax provision	79	308	299
Share-based compensation, non-cash	57	92	102
Other, net	(85)	(249)	(205)
Changes in operating assets and liabilities:			
Decrease (increase) in accounts receivable	(74)	35	95
Increase in other assets	(218)	(314)	(11)
Increase in accounts payable	335	257	209
Increase (decrease) in air traffic liability	399	559	(545)
Increase in loyalty program liability	510	727	182
Contributions to pension plans	(228)	(300)	(73)
Increase (decrease) in other liabilities	22	(149)	379
Net cash provided by operating activities	3,099	3,983	3,803
Cash flows from investing activities:			
Capital expenditures and aircraft purchase deposits	(3,779)	(2,683)	(2,596)
Proceeds from sale-leaseback transactions and sale of property and equipment	344	654	230
Sales of short-term investments	6,189	8,013	8,861
Purchases of short-term investments	(4,905)	(7,194)	(7,323)
Decrease in restricted short-term investments	3	177	51
Other investing activities	254	65	275
Net cash used in investing activities	(1,894)	(968)	(502)
Cash flows from financing activities:			
Payments on long-term debt and finance leases	(5,504)	(4,467)	(7,718)
Proceeds from issuance of long-term debt	3,773	1,670	4,822
Net proceeds from fuel financing	840	74	—
Other financing activities	(160)	(71)	(310)
Net cash used in financing activities	(1,051)	(2,794)	(3,206)
Net increase in cash and restricted cash	154	221	95
Cash and restricted cash at beginning of year	902	681	586
Cash and restricted cash at end of year [(a)]	$ 1,056	$ 902	$ 681

[(a)] The following table provides a reconciliation of cash and restricted cash to amounts reported within the consolidated balance sheets:

Cash	$ 954	$ 804	$ 578
Restricted cash included in restricted cash and short-term investments	102	98	103
Total cash and restricted cash	$ 1,056	$ 902	$ 681

See accompanying notes to consolidated financial statements.

AMERICAN AIRLINES GROUP INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(In millions, except share amounts)

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Deficit	Total
Balance at December 31, 2022	$ 6	$ 7,291	$ (4,585)	$ (8,511)	$ (5,799)
Net income	—	—	—	822	822
Other comprehensive loss, net	—	—	(309)	—	(309)
Issuance of 3,630,731 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	1	(23)	—	—	(22)
Share-based compensation expense	—	102	—	—	102
Settlement of single-dip unsecured claims held in Disputed Claims Reserve	—	4	—	—	4
Balance at December 31, 2023	7	7,374	(4,894)	(7,689)	(5,202)
Net income	—	—	—	846	846
Other comprehensive income, net	—	—	329	—	329
Issuance of 3,292,974 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	—	(22)	—	—	(22)
Share-based compensation expense	—	92	—	—	92
Modification of share-based awards	—	(20)	—	—	(20)
Balance at December 31, 2024	7	7,424	(4,565)	(6,843)	(3,977)
Net income	—	—	—	111	111
Other comprehensive income, net	—	—	176	—	176
Settlement of PSP1 and Treasury Loan Warrants (see Note 3)	—	(79)	—	—	(79)
Issuance of 2,734,914 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	—	(18)	—	—	(18)
Share-based compensation expense	—	60	—	—	60
Balance at December 31, 2025	$ 7	$ 7,387	$ (4,389)	$ (6,732)	$ (3,727)

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES GROUP INC.

1. Basis of Presentation and Summary of Significant Accounting Policies

(a) Basis of Presentation

American Airlines Group Inc. (we, us, our and similar terms, or AAG), a Delaware corporation, is a holding company whose primary business activity is the operation of a major network air carrier, providing scheduled air transportation for passengers and cargo through its mainline operating subsidiary, American Airlines, Inc. (American) and its wholly-owned regional airline subsidiaries, Envoy Aviation Group Inc., PSA Airlines, Inc. (PSA) and Piedmont Airlines, Inc. (Piedmont), that operate under the brand American Eagle. All significant intercompany transactions have been eliminated.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States (GAAP) requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. The most significant areas of judgment relate to passenger revenue recognition, the loyalty program, deferred tax assets, as well as pension and retiree medical and other postretirement benefits.

(b) Recent Accounting Pronouncements

Accounting Standards Update (ASU) 2024-03: Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-04) Disaggregation of Income Statement Expenses

This standard enhances transparency in reporting by requiring disaggregation of certain costs and expenses in the notes to financial statements. This update is effective for annual periods beginning after December 15, 2026 and interim periods within annual periods beginning after December 15, 2027, and early adoption is permitted. We are currently evaluating how the adoption of this standard may impact our disclosures.

ASU 2025-06: Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) Targeted Improvements to the Accounting for Internal-Use Software

This standard modernizes the accounting for costs related to internal-use software by removing references to project stages and by clarifying the thresholds entities apply to begin capitalizing costs. The amendments in this update are effective for interim and annual periods beginning after December 15, 2027, and early adoption is permitted. We are currently evaluating how the adoption of this standard may impact our consolidated financial statements.

(c) Investments

Short-term investments primarily include debt securities and are classified as available-for-sale and stated at fair value. Realized gains and losses are recorded as part of interest income within total nonoperating expense, net on our consolidated statements of operations. Unrealized gains and losses are recorded as a component of accumulated other comprehensive loss on our consolidated balance sheets. For investments in an unrealized loss position, we determine whether a credit loss exists by considering information about the collectability of the instrument, current market conditions and reasonable and supportable forecasts of economic conditions. There have been no credit losses.

Equity investments are accounted for under the equity method if we are able to exercise significant influence over an investee. Equity investments for which we do not have significant influence are recorded at fair value or at cost, if fair value is not readily determinable, with adjustments for observable changes in price or impairments (referred to as the measurement alternative). Our equity investments are reflected in other assets on our consolidated balance sheets. Our share of equity method investees' financial results and changes in fair value are recorded in nonoperating other income (expense), net on the consolidated statements of operations. See Note 8 for additional information related to our equity investments.

(d) Restricted Cash and Short-term Investments

We have restricted cash and short-term investments related primarily to collateral held to support workers' compensation obligations, collateral associated with the payment of interest for the AAdvantage Financing and money market funds to be used to finance the cost of improvements at the overhaul and maintenance base at Tulsa International Airport (Tulsa Maintenance Base). See Note 4 and Note 11 for further information on the AAdvantage Financing and Tulsa Maintenance Base, respectively.

(e) Accounts Receivable, Net

Accounts receivable primarily consist of amounts due from credit card processing companies for tickets sold to individual passengers, amounts due from airline and non-airline business partners, including our co-branded credit card partner and cargo customers. Receivables from ticket sales are short-term, mostly settled within seven days after sale. Receivables from our business partners are typically settled within 30 days. All accounts receivable are reported net of an allowance for credit losses, which was not material as of December 31, 2025 and 2024. We consider past and future financial and qualitative factors, including aging, payment history and other credit monitoring indicators, when establishing the allowance for credit losses.

(f) Aircraft Fuel, Spare Parts and Supplies, Net

Aircraft fuel is recorded on a first-in, first-out basis. Spare parts and supplies are recorded at average costs less an allowance for obsolescence, which is recognized over the weighted average remaining useful life of the related fleet. We also provide an allowance for spare parts and supplies identified as excess or obsolete to reduce the carrying cost to the lower of cost or net realizable value. Aircraft fuel, spare parts and supplies are expensed when used.

(g) Operating Property and Equipment

Operating property and equipment is recorded at cost and depreciated or amortized to residual values over the asset's estimated useful life or the lease term, whichever is less, using the straight-line method. Costs of major improvements that enhance the usefulness of the asset are capitalized and depreciated or amortized over the estimated useful life of the asset or the lease term, whichever is less. Effective January 1, 2025, we adjusted the estimated useful lives of our mainline and regional aircraft, engines and related rotable parts by three years to align with the extended lives of aircraft included in our long-term fleet plan. In conjunction with this change, we also reduced the salvage values for most of these assets from 10% to 5% of original cost to more closely reflect the estimated value at the end of the useful life. Accordingly, the estimated useful lives for the principal property and equipment classification are as follows:

Principal Property and Equipment Classification	Estimated Useful Life
Aircraft, engines and related rotable parts	20 – 33 years
Buildings and improvements	5 – 30 years
Furniture, fixtures and other equipment	3 – 15 years
Capitalized software	5 – 10 years

The effect of these changes did not have a material impact to depreciation and amortization expense in the consolidated statement of operations for the year ended December 31, 2025. Total mainline and regional depreciation and amortization expense was $2.2 billion for each of the years ended December 31, 2025 and 2024 and $2.3 billion for the year ended December 31, 2023.

We assess impairment of operating property and equipment when events and circumstances indicate that the assets may be impaired. An impairment of an asset or group of assets exists only when the sum of the estimated undiscounted cash flows expected to be generated directly by the assets are less than the carrying value of the assets. We group assets principally by fleet-type when estimating future cash flows, which is generally the lowest level for which identifiable cash flows exist. Estimates of future cash flows are based on historical results adjusted to reflect management's best estimate of future market and operating conditions, including our current fleet plan. If such assets are impaired, the impairment charge recognized is the amount by which the carrying value of the assets exceed their fair value. Fair value reflects management's best estimate including inputs from published pricing guides and bids from third parties as well as contracted sales agreements when applicable.

(h) Leases

We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, current operating lease liabilities and noncurrent operating lease liabilities on our consolidated balance sheets. Finance leases are included in property and equipment, current maturities of long-term debt and finance leases and long-term debt and finance leases, net of current maturities, on our consolidated balance sheets. See Note 5 for further information on our operating and finance leases.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

We use our estimated incremental borrowing rate, which is derived from information available at the lease commencement date, in determining the present value of lease payments. We give consideration to our recent debt issuances as well as publicly available data for instruments with similar characteristics when calculating our incremental borrowing rates.

Our lease term includes options to extend the lease when it is reasonably certain that we will exercise that option. Leases with a term of 12 months or less are not recorded on our consolidated balance sheets.

Under certain of our capacity purchase agreements with third-party regional carriers, we do not own the underlying aircraft. However, since we control the marketing, scheduling, ticketing, pricing and seat inventories of these aircraft and therefore control the asset, the aircraft is deemed to be leased for accounting purposes. For these capacity purchase agreements, we account for the lease and non-lease components separately. The lease component consists of the aircraft and the non-lease components consist of services, such as the crew and maintenance. Where applicable, we allocate the consideration in the capacity purchase agreements to the lease and non-lease components using their estimated relative standalone prices. See Note 11(b) for additional information on our capacity purchase agreements.

For real estate, we account for the lease and non-lease components as a single lease component.

(i) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are recorded net as noncurrent on our consolidated balance sheets.

We provide a valuation allowance for our deferred tax assets, which include our net operating losses (NOLs) and other carryforwards, when it is more likely than not that some portion, or all of our deferred tax assets, will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. We consider all available positive and negative evidence and make certain assumptions in evaluating the realizability of our deferred tax assets. Many factors are considered that impact our assessment of future profitability, including conditions which are beyond our control, such as the health of the economy, the availability and price volatility of aircraft fuel and travel demand. We have determined that positive factors outweigh negative factors in the determination of the realizability of our deferred tax assets.

(j) Goodwill

Goodwill represents the purchase price in excess of the fair value of the net assets acquired and liabilities assumed in connection with the 2013 merger with US Airways Group, Inc. (US Airways Group). We have one reporting unit. We assess goodwill for impairment annually or more frequently if events or circumstances indicate that the fair value of goodwill may be lower than the carrying value. Our annual assessment date is October 1.

Goodwill is assessed for impairment by initially performing a qualitative assessment. If we determine that it is more likely than not that our goodwill may be impaired, we use a quantitative approach to assess the asset's fair value and the amount of the impairment, if any. Based upon our annual assessment, there was no goodwill impairment in 2025. The carrying value of our goodwill on our consolidated balance sheets was $4.1 billion as of December 31, 2025 and 2024.

(k) Other Intangibles, Net

Intangible assets consist of certain domestic airport slots and gate leasehold rights, international slots and route authorities, commercial agreements, marketing agreements, customer relationships and tradenames.

Definite-Lived Intangible Assets

Definite-lived intangible assets are originally recorded at their acquired fair values, subsequently amortized over their respective estimated useful lives and are assessed for impairment whenever events and circumstances indicate that the assets may be impaired. Certain domestic airport slots and airport gate leasehold rights are amortized on a straight-line

basis over 25 years. Certain marketing agreements were identified as intangible assets subject to amortization and are amortized on a straight-line basis over approximately 30 years.

We had $124 million and $101 million of definite-lived intangible assets, net of accumulated amortization on our consolidated balance sheets as of December 31, 2025 and 2024, respectively. We expect to record amortization expense related to these assets of approximately $7 million for each of the years in 2026 through 2030, and $88 million of amortization expense in 2031 and thereafter until fully amortized.

Indefinite-Lived Intangible Assets

Indefinite-lived intangible assets include certain domestic airport slots, international slots and route authorities and our commercial agreement with GOL Linhas Aéreas Inteligentes S.A. (GOL). We assess indefinite-lived intangible assets for impairment annually or more frequently if events or circumstances indicate that the fair values of indefinite-lived intangible assets may be lower than their carrying values. Our annual assessment date is October 1.

Indefinite-lived intangible assets are assessed for impairment by initially performing a qualitative assessment. If we determine that it is more likely than not that our indefinite-lived intangible assets may be impaired, we use a quantitative approach to assess the asset's fair value and the amount of the impairment, if any. Based upon our annual assessment, there were no indefinite-lived intangible asset impairments in 2025. We had $1.9 billion of indefinite-lived intangible assets on our consolidated balance sheets as of December 31, 2025 and 2024.

(l) Fuel Financing

In December 2024, we entered into a fuel financing facility with a bank pursuant to which the bank pays certain fuel invoices on our behalf. The agreement contains a maximum allowable outstanding principal balance at any time of $1.0 billion and is required to be repaid at least quarterly. The fuel financing facility bears interest at a base rate equal to one-month Secured Overnight Financing Rate (SOFR), plus a margin of 3.75%. Our obligations to the counterparty are secured on a second-priority basis by certain intellectual property of American, including the "American Airlines" trademark and the "aa.com" domain name in the United States and certain foreign jurisdictions, as provided in, and subject to the covenants and conditions of, the Second Lien Brand Collateral Security Agreement. Either American or the bank may terminate this agreement at any time and with immediate effect upon sixty days' prior written notice to the other party. As of December 31, 2025 and 2024, we had $914 million and $74 million, respectively, in fuel financing obligations included on our consolidated balance sheets.

The following is a rollforward of our outstanding fuel financing obligation during the years ended December 31, 2025 and 2024 (in millions):

	2025	2024
Balance at beginning of year	$ 74	$ —
Proceeds	1,217	74
Payments	(377)	—
Balance at end of year	$ 914	$ 74

We include payments to designated fuel suppliers as an operating activity in the consolidated statement of cash flows. Proceeds and payments related to fuel financing transactions are presented net as a financing activity in the consolidated statement of cash flows.

(m) Revenue Recognition

Revenue

The following are the significant categories comprising our operating revenues (in millions):

	Year Ended December 31,		
	2025	2024	2023
Passenger revenue:			
Passenger travel	$ 45,607	$ 45,743	$ 44,914
Loyalty revenue - travel [1]	4,036	3,843	3,598
Total passenger revenue	49,643	49,586	48,512
Cargo	839	804	812
Other:			
Loyalty revenue - marketing services	3,511	3,257	2,929
Other revenue	640	564	535
Total other revenue	4,151	3,821	3,464
Total operating revenues	$ 54,633	$ 54,211	$ 52,788

[1] Loyalty revenue included in passenger revenue is principally comprised of mileage credit redemptions, which were earned from travel or co-branded credit card and other partners. See "*Loyalty Revenue*" below for further discussion on these mileage credits.

The following is our total passenger revenue by geographic region (in millions):

	Year Ended December 31,		
	2025	2024	2023
Domestic	$ 35,201	$ 35,336	$ 34,592
Latin America	6,444	6,560	6,719
Atlantic	6,583	6,445	6,205
Pacific	1,415	1,245	996
Total passenger revenue	$ 49,643	$ 49,586	$ 48,512

We attribute passenger revenue by geographic region based upon the origin and destination of each flight segment.

Passenger Revenue

We recognize all revenues generated from transportation on American and our regional flights operated under the brand name American Eagle, including associated baggage fees and other inflight services, as passenger revenue when transportation is provided. Ticket and other related sales for transportation that has not yet been provided are initially deferred and recorded as air traffic liability on our consolidated balance sheets. The air traffic liability principally represents tickets sold for future travel on American, American Eagle and partner airlines.

The majority of tickets sold are nonrefundable. A small percentage of tickets, some of which are partially used tickets, expire unused. The estimate for tickets expected to expire unused is generally based on an analysis of our historical data and other current applicable factors such as policy changes. We have consistently applied this accounting method to estimate and recognize revenue from unused tickets at the date of travel. This estimate is periodically evaluated based on subsequent activity to validate its accuracy. Any adjustments resulting from periodic evaluations of the estimated air traffic liability are included in passenger revenue during the period in which the evaluations are completed.

Various taxes and fees assessed on the sale of tickets to end customers are collected by us as an agent and remitted to taxing authorities. These taxes and fees have been presented on a net basis in the accompanying consolidated statements of operations and recorded as a liability until remitted to the appropriate taxing authority.

Loyalty Revenue

We currently operate the loyalty program, AAdvantage®. This program awards mileage credits to passengers who fly on American, American Eagle, any **one**world airline or other partner airlines, or by using the services of other program participants, such as our co-branded credit cards, and certain hotels and car rental companies. Mileage credits can be redeemed for travel on American, American Eagle and other participating partner airlines, as well as for other non-air travel awards such as car rentals, hotel stays, cruises and retail goods from program partners. For mileage credits earned by AAdvantage program members, we apply the deferred revenue method.

Mileage credits earned through travel

For mileage credits earned through travel, we apply a relative selling price approach whereby the total amount collected from each passenger ticket sale is allocated between the air transportation and the mileage credits earned. The portion of each passenger ticket sale attributable to mileage credits earned is initially deferred and then recognized in passenger revenue when mileage credits are redeemed and transportation is provided. The estimated selling price of mileage credits is determined using an equivalent ticket value approach, which uses historical data, including award redemption patterns by geographic region and class of service, as well as similar cash fares as those used to settle award redemptions. The estimated selling price of mileage credits is adjusted for an estimate of mileage credits that will not be redeemed using a statistical model based on historical redemption patterns to develop an estimate of the likelihood of future redemption.

Mileage credits sold to co-branded credit card and other partners

We sell mileage credits to participating airline partners and non-airline business partners, including our co-branded credit card partner, under contracts with remaining terms generally from one to 10 years as of December 31, 2025. Consideration received from the sale of mileage credits is predominantly variable and payment terms typically are within 30 days subsequent to the month of mileage sale. Sales of mileage credits to co-branded credit card and non-airline business partners are comprised of two revenue elements: a transportation component and a marketing component. We allocate the consideration received from these sales of mileage credits based on the relative selling price of each product or service delivered.

Our most significant mileage credit partner agreement is our co-branded credit card agreement with Citibank N.A. (Citi). In December 2024, we announced a 10-year agreement with Citi and Citi became the exclusive issuer of the AAdvantage co-branded credit card portfolio in the U.S. starting in 2026.

The transportation component represents the estimated selling price of future travel awards and is determined using the same equivalent ticket value approach described above. The portion of each mileage credit sold attributable to transportation is initially deferred and then recognized in passenger revenue when mileage credits are redeemed and transportation is provided.

The marketing component includes the use of intellectual property, including the American brand and access to loyalty program member lists, which is the predominant element in these agreements, as well as advertising and other travel-related benefits. We recognize the marketing component in other revenue in the period of the mileage credit sale following the sales-based royalty method.

For the portion of our outstanding mileage credits that we estimate will not be redeemed, we recognize the associated value proportionally as the remaining mileage credits are redeemed. Our estimates use a statistical model based on historical redemption patterns to develop an estimate of the likelihood of future redemption.

Cargo Revenue

Cargo revenue is recognized when we provide the transportation.

Other Revenue

Other revenue includes revenue associated with our loyalty program, which is comprised principally of the marketing component of mileage credit sales to co-branded credit card and other partners and other marketing related payments. The accounting and recognition for the loyalty program marketing services are discussed above in "*Loyalty Revenue*." The remaining amounts included within other revenue relate to airport clubs, other commission revenue, advertising and vacation-related services.

Contract Balances

Our significant contract liabilities are comprised of (1) outstanding loyalty program mileage credits that may be redeemed for future air travel, non-air travel and other awards, reported as loyalty program liability on our consolidated balance sheets and (2) ticket sales for transportation that has not yet been provided, reported as air traffic liability on our consolidated balance sheets.

	December 31,	
	2025	2024
	(In millions)	
Loyalty program liability	$ 10,564	$ 10,054
Air traffic liability	7,158	6,759
Total	$ 17,722	$ 16,813

The balance of the loyalty program liability fluctuates based on seasonal patterns, which impact the volume of mileage credits issued through travel or sold to co-branded credit card and other partners (deferral of revenue) and mileage credits redeemed (recognition of revenue). Changes in loyalty program liability are as follows (in millions):

Balance at December 31, 2024	$ 10,054
Deferral of revenue	4,445
Recognition of revenue [1]	(3,935)
Balance at December 31, 2025 [2]	$ 10,564

[1] Principally relates to revenue recognized from the redemption of mileage credits for air travel, non-air travel and other awards. Mileage credits are combined in one homogenous pool and are not separately identifiable. As such, the revenue is comprised of mileage credits that were part of the loyalty program deferred revenue balance at the beginning of the period, as well as mileage credits that were issued during the period.

[2] Mileage credits can be redeemed at any time and generally do not expire as long as the AAdvantage member has any type of qualifying activity at least every 24 months or if the AAdvantage member is the primary holder of a co-branded credit card. As of December 31, 2025, our current loyalty program liability was $3.7 billion and represents our current estimate of revenue expected to be recognized in the next 12 months based on historical trends, with the balance reflected in long-term loyalty program liability expected to be recognized as revenue in periods thereafter.

Additionally, as of December 31, 2025 and 2024, our loyalty program liability includes a one-time cash payment related to the new co-branded credit card agreement announced in December 2024, which will be amortized over the life of the new agreement beginning in 2026.

The air traffic liability principally represents tickets sold for future travel on American, American Eagle and partner airlines. The balance in our air traffic liability also fluctuates with seasonal travel patterns. The contract duration of passenger tickets is generally one year. Accordingly, any revenue associated with tickets sold for future travel will be recognized within 12 months. For 2025, $5.1 billion of revenue was recognized in passenger revenue that was included in our air traffic liability at December 31, 2024.

(n) Maintenance, Materials and Repairs

Maintenance and repair costs for owned and leased flight equipment are charged to operating expense as incurred, except costs incurred for maintenance and repair under certain power-by-the-hour maintenance agreements, which are charged to operating expense based on contractual terms when an obligation exists.

(o) Selling Expenses

Selling expenses include credit card fees, commissions, third party distribution channel fees and advertising. Selling expenses associated with passenger revenue are expensed when the transportation or service is provided. Advertising costs are expensed as incurred. Advertising expense was $200 million, $143 million and $114 million for the years ended December 31, 2025, 2024 and 2023, respectively.

(p) Share-based Compensation

We account for our share-based compensation expense based on the fair value of the equity award at the time of grant, which is recognized ratably over the vesting period of the award. Certain awards have performance conditions that must be achieved prior to vesting and are expensed based on the expected achievement at each reporting period. The majority of our equity awards are time vested restricted stock units. For equity-classified awards, the fair value of such awards is based on the market price of the underlying shares of AAG common stock on the date of grant and is not subsequently remeasured unless modified. For liability-classified awards, the fair value of such awards is remeasured at the end of each reporting period until settled. See Note 14 for further discussion of share-based compensation.

(q) Foreign Currency Gains and Losses

Foreign currency gains and losses are recorded as part of other income (expense), net within total nonoperating expense, net on our consolidated statements of operations. For the years ended December 31, 2025, 2024 and 2023, foreign currency losses were $15 million, $48 million and $30 million, respectively.

(r) Other Operating Expenses

Other operating expenses includes costs associated with onboard food and catering, crew travel, ground and cargo handling, passenger accommodation, international navigation fees, aircraft cleaning, airport lounge operations and certain general and administrative expenses.

(s) Regional Expenses

Our regional carriers provide scheduled air transportation under the brand name “American Eagle.” The American Eagle carriers include our wholly-owned regional carriers as well as third-party regional carriers. Our regional carrier arrangements are principally in the form of capacity purchase agreements with our third-party regional partners and similar arrangements with our wholly-owned regional affiliates. Expenses, excluding fuel expense, associated with American Eagle operations are classified as regional expenses on the consolidated statements of operations.

Regional expenses for the years ended December 31, 2025, 2024 and 2023 include $329 million, $319 million and $318 million of depreciation and amortization, respectively. Regional expenses also include $9 million of aircraft rent for each of the years ended December 31, 2025 and 2024 and $7 million for the year ended December 31, 2023.

In 2025, 2024 and 2023, we recognized $658 million, $612 million and $636 million, respectively, of expense under our capacity purchase agreement with Republic Airways Inc. (Republic). We hold a 20.8% equity interest in Republic Airways Holdings Inc. (Republic Holdings), the parent company of Republic.

2. Special Items, Net

Special items, net on our consolidated statements of operations consisted of the following (in millions):

	Year Ended December 31,		
	2025	2024	2023
Litigation reserve adjustments	$ 77	$ —	$ —
Labor contract expenses [1]	31	605	989
Severance expenses	44	13	23
A330 fleet-related adjustments [2]	—	(42)	—
Other operating special items, net	7	34	(41)
Mainline operating special items, net	159	610	971
Regional operating special items, net [3]	3	33	8
Operating special items, net	162	643	979
Mark-to-market adjustments on equity investments, net [4]	(40)	8	82
Debt refinancing and extinguishment [5]	22	16	280
Other nonoperating special items, net	18	—	—
Nonoperating special items, net	—	24	362

(1) Labor contract expenses for 2025 included a one-time charge resulting from adjustments to vacation accruals due to pay rate increases effective January 1, 2025, following the ratification of the contract extension in the fourth quarter of 2024 with our mainline maintenance and fleet service team members.

Labor contract expenses for 2024 included one-time charges resulting from the ratifications of new collective bargaining agreements (CBAs) with our mainline flight attendants and passenger service team members, including one-time payments and adjustments to vacation accruals resulting from pay rate increases.

Labor contract expenses for 2023 included one-time charges resulting from the ratification of a new CBA with our mainline pilots, including a one-time payment of $754 million as well as adjustments to other benefit-related items of $235 million.

(2) In 2024, we entered into a sales agreement for certain Airbus A330 aircraft, resulting in a $42 million gain. These aircraft were previously retired in 2020 as a result of the decline in demand for air travel due to the COVID-19 pandemic.

(3) Regional operating special items, net for 2024 included a $33 million non-cash write down of regional aircraft resulting from the decision to permanently park 43 Embraer ERJ145 aircraft.

(4) Mark-to-market adjustments on equity investments, net included net unrealized gains and losses associated with certain equity investments. See Note 8 for further information related to our equity investments.

(5) Debt refinancing and extinguishment costs in 2023 primarily included cash charges for premiums paid in connection with the early repayment of debt.

3. Earnings Per Common Share

The following table provides the computation of basic and diluted earnings per common share (EPS) (in millions, except share and per share amounts):

	Year Ended December 31,		
	2025	2024	2023
Basic EPS:			
Net income	$ 111	$ 846	$ 822
Weighted average common shares outstanding (in thousands)	659,964	656,996	653,612
Basic EPS	$ 0.17	$ 1.29	$ 1.26
Diluted EPS:			
Net income	$ 111	$ 846	$ 822
Interest expense on 6.50% convertible senior notes	—	51	46
Net income for purposes of computing diluted EPS	$ 111	$ 897	$ 868
Share computation for diluted EPS (in thousands):			
Basic weighted average common shares outstanding	659,964	656,996	653,612
Dilutive effect of restricted stock unit awards	763	1,121	1,830
Dilutive effect of certain PSP Warrants and Treasury Loan Warrants	325	1,455	2,499
Assumed conversion of 6.50% convertible senior notes	—	61,728	61,728
Diluted weighted average common shares outstanding	661,052	721,300	719,669
Diluted EPS	$ 0.17	$ 1.24	$ 1.21

The following were excluded from the calculation of diluted EPS because inclusion of such shares would be antidilutive (in thousands):

	Year Ended December 31,		
	2025	2024	2023
6.50% convertible senior notes [1]	15,432	—	—
Restricted stock unit awards	1,188	2,350	4,371

[1] On March 27, 2025, we provided notice to the holders of our 6.50% convertible senior notes due 2025 (Convertible Notes) that we would settle our Convertible Notes at their maturity in cash on July 1, 2025. As a result, we have excluded the Convertible Notes from the calculation of diluted EPS for the quarterly periods ending after March 31, 2025.

In addition, excluded from the calculation of diluted EPS because inclusion of such shares would be antidilutive, are certain shares underlying the warrants issued pursuant to (i) the payroll support program established under the Coronavirus Aid, Relief, and Economic Security Act (PSP1), (ii) the payroll support program established under the Subtitle A of Title IV of Division N of the Consolidated Appropriations Act, 2021 (PSP2), (iii) the payroll support program established under the American Rescue Plan Act of 2021 (PSP3, and together with PSP1 and PSP2, the PSP Warrants) and (iv) the Loan and Guarantee Agreement with the U.S. Department of Treasury (Treasury Loan Warrants).

During the first quarter of 2025, all of the PSP1 Warrants and Treasury Loan Warrants, 14.0 million shares and 4.4 million shares, respectively, were exercised at an exercise price of $12.51 per share and net settled in cash for $79 million, reflected within other financing activities in the consolidated statement of cash flows.

The table below provides a summary of the warrants outstanding as of December 31, 2025:

Warrants	Warrants Issued (shares, in thousands) [1]	Exercise Price ($)	Expiration
PSP2 Warrants	6,576	15.66	January 2026 [2] to April 2026
PSP3 Warrants	4,407	21.75	April 2026 to June 2026

[1] The PSP2 Warrants and PSP3 Warrants are subject to certain anti-dilution provisions, do not have any voting rights and are freely transferable, with registration rights. Each warrant will be exercisable either through net share settlement or cash, at our option. The warrants were issued solely as compensation to the U.S. Government related to entry into the payroll support program agreements. No separate proceeds (apart from the financial assistance previously received in 2021) were received upon issuance of the warrants or will be received upon exercise thereof.

[2] In January 2026, 2.8 million shares of the PSP2 Warrants were exercised at an exercise price of $15.66 per share and net settled in cash for a nominal amount.

4. Debt

Debt included on our consolidated balance sheets consisted of (in millions):

	December 31,	
	2025	2024
Secured		
2013 Term Loan Facility, variable interest rate of 6.00%, installments until due in February 2028 [a]	$ 970	$ 980
2014 Term Loan Facility, variable interest rate of 5.69%, installments until due in January 2027 [a]	1,159	1,171
2023 Term Loan Facility, variable interest rate of 6.26%, installments until due in June 2029 [a]	1,078	1,089
10.75% senior secured IP notes [b]	—	781
10.75% senior secured LGA/DCA notes [b]	—	156
7.25% senior secured notes, interest only payments until due in February 2028 [b]	750	750
8.50% senior secured notes, interest only payments until due in May 2029 [b]	1,000	1,000
5.50% senior secured notes, installments until due in April 2026 [c]	583	1,750
5.75% senior secured notes, installments beginning in July 2026 until due in April 2029 [c]	3,000	3,000
2021 AAdvantage Term Loan Facility, variable interest rate of 6.13%, installments until due in April 2028 [c]	2,264	2,450
2025 AAdvantage Term Loan Facility, variable interest rate of 7.13%, installments until due in May 2032 [c]	995	—
Enhanced equipment trust certificates (EETCs), fixed interest rates ranging from 2.88% to 7.15%, averaging 3.95%, maturing from 2026 to 2038 [d]	6,912	7,271
Equipment loans and other notes payable, fixed and variable interest rates ranging from 2.55% to 6.56%, averaging 5.57%, maturing from 2026 to 2037 [e]	4,719	4,094
Special facility revenue bonds, fixed interest rates ranging from 2.25% to 5.38%, maturing from 2026 to 2036	789	880
	24,219	25,372
Unsecured		
PSP1 Promissory Note, variable interest rate of 5.92%, interest only payments until due in April 2030 [f]	1,757	1,757
PSP2 Promissory Note, interest only payments until due in January 2031 [f]	1,030	1,030
PSP3 Promissory Note, interest only payments until due in April 2031 [f]	959	959
6.50% convertible senior notes [g]	—	1,000
Senior short-term term loan facility, variable interest rate of 6.11%, interest only payments until due in January 2026 [h]	629	—
	4,375	4,746
Total	28,594	30,118
Less: Total unamortized debt discount, premium and issuance costs	314	305
Less: Current maturities	3,641	5,196
Long-term debt, net of current maturities	$ 24,639	$ 24,617

As of December 31, 2025, the maximum availability under our revolving credit and other facilities is as follows (in millions):

2013 Revolving Facility [1]	$	519
2014 Revolving Facility [1]		1,557
2023 Revolving Facility [1]		924
Other facilities [2]		397
Total	$	3,397

[1] On April 21, 2025, the aggregate revolving commitments under the 2013, 2014 and 2023 Revolving Facilities were increased from approximately $2.9 billion to $3.0 billion upon the upsize of commitments by certain existing lenders. No other terms were changed and there are no borrowings outstanding under the facilities.

[2] Includes a revolving credit facility that provides for borrowing capacity of up to $350 million, maturing in March 2027 with an option to extend for an additional year. Additionally, American currently has $47 million of available borrowing base under a cargo receivables facility that is scheduled to expire in December 2026. There are no amounts drawn under these facilities.

Secured financings, including revolving credit and other facilities, are collateralized by assets, consisting primarily of aircraft, engines, simulators, airport gate leasehold rights, route authorities, airport slots, certain receivables, certain intellectual property and certain loyalty program assets.

At December 31, 2025, the maturities of long-term debt are as follows (in millions):

2026	$	3,641
2027		4,455
2028		7,324
2029		4,045
2030		2,487
2031 and thereafter		6,642
Total	$	28,594

(a) 2013, 2014 and 2023 Credit Facilities

2013 Credit Facilities

The Amended and Restated Credit and Guaranty Agreement dated as of May 21, 2015, as amended (the 2013 Credit Agreement), includes a revolving credit facility (the 2013 Revolving Facility) and term loan facility (the 2013 Term Loan Facility), collectively referred to as the 2013 Credit Facilities. The 2013 Term Loan Facility matures in February 2028 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 1.25% per annum or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 2.25% per annum. SOFR borrowings under the 2013 Term Loan Facility are not subject to a credit spread adjustment. As of December 31, 2025, the margin elected was 2.25% per annum.

The 2013 Revolving Facility matures in June 2029 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 2.00%, 2.25% or 2.50%, depending on AAG's public corporate credit rating, or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 3.00%, 3.25% or 3.50%, depending on AAG's public corporate credit rating. SOFR borrowings under the 2013 Revolving Facility are not subject to a credit spread adjustment. The 2013 Revolving Facility has aggregate commitments of $519 million, with the ability to issue letters of credit up to an aggregate amount of $100 million. As of December 31, 2025, there were no borrowings or letters of credit outstanding under the 2013 Revolving Facility.

2014 Credit Facilities

The Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, as amended (the 2014 Credit Agreement), includes a revolving credit facility (the 2014 Revolving Facility) and term loan facility (the 2014 Term Loan Facility), collectively referred to as the 2014 Credit Facilities. The 2014 Term Loan Facility matures in January 2027 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 0.75% or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American, plus the SOFR adjustment applicable to such interest period (with such SOFR rate plus SOFR adjustment being subject to a floor of 0.00%) plus an applicable margin of 1.75%. As of December 31, 2025, the margin elected was 1.75% per annum.

The 2014 Revolving Facility matures in June 2029 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 2.00%, 2.25% or 2.50%, depending on AAG's public corporate credit rating, or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 3.00%, 3.25% or 3.50%, depending on AAG's public corporate credit rating. SOFR borrowings under the 2014 Revolving Facility are not subject to a credit spread adjustment. The 2014 Revolving Facility has aggregate commitments of $1.6 billion, with the ability to issue letters of credit up to an aggregate amount of $200 million. As of December 31, 2025, there were no borrowings or letters of credit outstanding under the 2014 Revolving Facility.

2023 Credit Facilities

The Credit and Guaranty Agreement, dated as of December 4, 2023, as amended (the 2023 Credit Agreement), includes a revolving credit facility (the 2023 Revolving Facility) and term loan facility (the 2023 Term Loan Facility), collectively referred to as the 2023 Credit Facilities. The 2023 Term Loan Facility matures in June 2029 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 1.25% per annum or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 2.25% per annum. SOFR borrowings under the 2023 Term Loan Facility are not subject to a credit spread adjustment. As of December 31, 2025, the margin elected was 2.25% per annum.

The 2023 Revolving Facility matures in June 2029 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 2.00%, 2.25% or 2.50%, depending on AAG's public corporate credit rating, or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 3.00%, 3.25% or 3.50%, depending on AAG's public corporate credit rating. SOFR borrowings under the 2023 Revolving Facility are not subject to a credit spread adjustment. The 2023 Revolving Facility has aggregate commitments of $924 million. As of December 31, 2025, there were no borrowings outstanding under the 2023 Revolving Facility.

Other Terms of the 2013, 2014 and 2023 Credit Facilities

The term loans under the 2013, 2014 and 2023 Credit Facilities (collectively referred to as the Credit Facilities) are repayable in annual installments, in an amount equal to 1.00% of the aggregate principal amount issued, with any unpaid balance due on the respective maturity dates. Voluntary prepayments may be made by American at any time.

The 2013, 2014 and 2023 Revolving Facilities provide that American may from time to time borrow, repay and reborrow loans thereunder. The 2013, 2014 and 2023 Revolving Facilities are each subject to an undrawn annual fee of 0.75%.

Subject to certain limitations and exceptions, the Credit Facilities are secured by collateral, including certain slots, route authorities, simulators and leasehold rights. American has the ability to make modifications to the collateral pledged, subject to certain restrictions. American's obligations under the Credit Facilities are guaranteed by AAG, and such guarantee is AAG's senior unsecured obligations (all of the collateral is owned by American, and AAG has not granted a security interest in any assets to secure any of the foregoing obligations). The Credit Facilities contain events of default customary for similar financings, including cross default and cross-acceleration to other material indebtedness.

(b) Senior Secured Notes

10.75% Senior Secured Notes

On September 25, 2020 (the 10.75% Senior Secured Notes Closing Date), American issued $1.0 billion in initial principal amount of senior secured IP notes (the IP Notes) and $200 million in initial principal amount of senior secured LGA/DCA notes (the LGA/DCA Notes and together with the IP Notes, the 10.75% Senior Secured Notes). In February 2025, American prepaid $308 million toward portions of the outstanding principal amounts of the 10.75% Senior Secured

Notes. In October 2025, American redeemed in full the $629 million in aggregate principal amount of 10.75% Senior Secured Notes in advance of maturity at par, plus accrued and unpaid interest thereon, using amounts borrowed under a senior unsecured short-term term loan facility, described further below.

7.25% Senior Secured Notes

On February 15, 2023, American issued $750 million aggregate principal amount of 7.25% senior secured notes due 2028 (the 7.25% Senior Secured Notes) in a private offering. The 7.25% Senior Secured Notes were issued at par and bear interest at a rate of 7.25% per annum (subject to increase if the collateral coverage ratio described below is not met). Interest on the 7.25% Senior Secured Notes is payable semiannually in arrears on February 15 and August 15 of each year, which began on August 15, 2023. The 7.25% Senior Secured Notes will mature on February 15, 2028. The obligations of American under the 7.25% Senior Secured Notes are fully and unconditionally guaranteed on a senior unsecured basis by AAG.

The 7.25% Senior Secured Notes were issued pursuant to an indenture, dated as of February 15, 2023 (the 7.25% Senior Secured Notes Indenture), by and among American, AAG and Wilmington Trust, National Association, as trustee and collateral agent. The 7.25% Senior Secured Notes are American's senior secured obligations and are secured on a first lien basis by security interests in certain assets, rights and properties that American uses to provide non-stop scheduled air carrier services between (a) certain airports in the United States and (b) airports in certain countries in South America and New Zealand (collectively, the 7.25% Senior Secured Notes Collateral). The 7.25% Senior Secured Notes Collateral also secures, on a first lien, pari passu basis with the 7.25% Senior Secured Notes, the 2013 Credit Facilities.

American may redeem the 7.25% Senior Secured Notes, in whole or in part, at the redemption prices described in the 7.25% Senior Secured Notes Indenture, plus any accrued and unpaid interest thereon to but excluding the date of redemption.

Twice per year, American is required to deliver an appraisal of the 7.25% Senior Secured Notes Collateral and an officer's certificate demonstrating the calculation of a collateral coverage ratio in relation to the 7.25% Senior Secured Notes Collateral (the 7.25% Senior Secured Notes Collateral Coverage Ratio) as of the date of delivery of the appraisal for the applicable period. If the 7.25% Senior Secured Notes Collateral Coverage Ratio is less than 1.6 to 1.0 as of the date of delivery of the appraisal for the applicable period, then, subject to a cure period in which additional collateral can be provided or debt repaid such that American meets the required 7.25% Senior Secured Notes Collateral Coverage Ratio, American will be required to pay special interest in an additional amount equal to 2.00% per annum of the principal amount of the 7.25% Senior Secured Notes until the 7.25% Senior Secured Notes Collateral Coverage Ratio is established to be at least 1.6 to 1.0.

8.50% Senior Secured Notes

On December 4, 2023, American issued $1.0 billion aggregate principal amount of 8.50% senior secured notes due 2029 (the 8.50% Senior Secured Notes) in a private offering. The 8.50% Senior Secured Notes were issued at par and bear interest at a rate of 8.50% per annum (subject to increase if the collateral coverage ratio described below is not met). Interest on the 8.50% Senior Secured Notes is payable semiannually in arrears on May 15 and November 15 of each year, which began on May 15, 2024. The 8.50% Senior Secured Notes will mature on May 15, 2029. The obligations of American under the 8.50% Senior Secured Notes are fully and unconditionally guaranteed on a senior unsecured basis by AAG.

The 8.50% Senior Secured Notes were issued pursuant to an indenture, dated as of December 4, 2023 (the 8.50% Senior Secured Notes Indenture), by and among American, AAG and Wilmington Trust, National Association, as trustee and collateral agent. The 8.50% Senior Secured Notes are American's senior secured obligations and are secured on a first lien basis by security interests in certain assets, rights and properties that American uses to provide non-stop scheduled air carrier services between (a) certain airports in the United States and (b) certain airports in Australia, Canada, the Caribbean, Central America, China, Hong Kong, Japan, Mexico, South Korea and Switzerland (collectively, the 8.50% Senior Secured Notes Collateral). The 8.50% Senior Secured Notes Collateral also secures, on a first lien, pari passu basis with the 8.50% Senior Secured Notes, the 2023 Term Loan Facility.

American may redeem the 8.50% Senior Secured Notes, in whole or in part, at the redemption prices described in the 8.50% Senior Secured Notes Indenture, plus any accrued and unpaid interest thereon to but excluding the date of redemption.

Twice per year, American is required to deliver an appraisal of the 8.50% Senior Secured Notes Collateral and an officer's certificate demonstrating the calculation of a collateral coverage ratio in relation to the 8.50% Senior Secured Notes Collateral (the 8.50% Senior Secured Notes Collateral Coverage Ratio) as of the date of delivery of the appraisal for the applicable period. If the 8.50% Senior Secured Notes Collateral Coverage Ratio is less than 1.6 to 1.0 as of the date of delivery of the appraisal for the applicable period, then, subject to a cure period in which additional collateral can be provided or debt repaid such that American meets the required 8.50% Senior Secured Notes Collateral Coverage Ratio, American will be required to pay special interest in an additional amount equal to 2.00% per annum of the principal amount of the 8.50% Senior Secured Notes until the 8.50% Senior Secured Notes Collateral Coverage Ratio is established to be at least 1.6 to 1.0.

(c) AAdvantage Financing

On March 24, 2021 (the 2021 AAdvantage Financing Closing Date), American and AAdvantage Loyalty IP Ltd., a Cayman Islands exempted company incorporated with limited liability and an indirect wholly-owned subsidiary of American (Loyalty Issuer and, together with American, the AAdvantage Issuers), completed the offering of $3.5 billion aggregate principal amount of 5.50% Senior Secured Notes due 2026 (the 2026 Notes) and $3.0 billion aggregate principal amount of 5.75% Senior Secured Notes due 2029 (the 2029 Notes, and together with the 2026 Notes, the AAdvantage Notes). The AAdvantage Notes are fully and unconditionally guaranteed (the AAdvantage Note Guarantees) by an indirect, wholly-owned subsidiary of American, and other wholly-owned subsidiaries (together, the SPV Guarantors) and AAG.

Concurrent with the issuance of the AAdvantage Notes, the AAdvantage Issuers, as co-borrowers, entered into a term loan credit and guaranty agreement, dated March 24, 2021, as amended, providing for a $3.5 billion term loan facility (the 2021 AAdvantage Term Loan Facility). On March 24, 2025, the AAdvantage Issuers entered into a second amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Second Amendment). As a result of the Second Amendment, the term loans outstanding with a principal amount of approximately $2.3 billion were replaced with new term loans in the same principal amount. The terms of the new term loans are substantially similar to the prior term loans; however, the new term loans bear interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 1.25% per annum or, at the AAdvantage Issuers' option, the SOFR rate for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 2.25% per annum. Additionally, the scheduled quarterly principal amortization amount was reduced to 0.25% of the principal amount of term loans outstanding as of March 24, 2025 (approximately $6 million each quarter), which began in July 2025, and the remaining balance is due at maturity in April 2028. Pursuant to the Second Amendment, the new term loans are not subject to a cost spread adjustment. As of December 31, 2025, the margin elected for the 2021 AAdvantage Term Loan Facility was 2.25%.

On May 28, 2025, the AAdvantage Issuers entered into a third amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Third Amendment). As a result of the Third Amendment, the AAdvantage Issuers incurred $1.0 billion of incremental term loans (the 2025 AAdvantage Term Loan Facility) due on May 28, 2032. The terms of the 2025 AAdvantage Term Loan Facility are substantially similar to the 2021 AAdvantage Term Loan Facility; however, the 2025 AAdvantage Term Loan Facility bears interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 2.25% per annum or, at the AAdvantage Issuers' option, the SOFR rate for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 3.25% per annum. Additionally, the scheduled quarterly principal amortization amount is equal to 0.25% of the original aggregate principal amount of the 2025 AAdvantage Term Loan Facility (approximately $3 million each quarter), which began in July 2025, and the remaining balance is due at maturity in May 2032. Pursuant to the Third Amendment, the 2025 AAdvantage Term Loan Facility is not subject to a cost spread adjustment. The net proceeds from the 2025 AAdvantage Term Loan Facility were used, in part, to repay the Convertible Notes described further below. As of December 31, 2025, the margin elected for the 2025 AAdvantage Term Loan Facility was 3.25%.

The AAdvantage Notes, 2021 AAdvantage Term Loan Facility and 2025 AAdvantage Term Loan Facility are collectively referred to as the AAdvantage Financing. The term loans drawn under the 2021 AAdvantage Term Loan Facility and 2025 AAdvantage Term Loan Facility (collectively, the AAdvantage Loans) are fully and unconditionally guaranteed (together with the AAdvantage Note Guarantees, the AAdvantage Guarantees) by the SPV Guarantors and AAG.

Subject to certain permitted liens and other exceptions, the AAdvantage Notes, AAdvantage Loans and AAdvantage Guarantees provided by the SPV Guarantors are secured by a first-priority security interest in, and pledge of, various agreements with respect to the AAdvantage program (the AAdvantage Agreements) (including all payments thereunder) and certain intellectual property licenses, certain deposit accounts that will receive cash under the AAdvantage Agreements, certain reserve accounts, the equity of each of Loyalty Issuer and the SPV Guarantors and substantially all other assets of Loyalty Issuer and the SPV Guarantors, including American's rights to certain data and other intellectual property used in the AAdvantage program (subject to certain exceptions) (collectively, the AAdvantage Collateral).

Payment Terms of the AAdvantage Financing

Interest on the AAdvantage Notes is payable in cash, quarterly in arrears on the 20th day of each January, April, July and October (each, an AAdvantage Payment Date), which began on July 20, 2021. The 2026 Notes will mature on April 20, 2026, and the 2029 Notes will mature on April 20, 2029. The outstanding principal on the 2026 Notes are repaid in quarterly installments of $292 million on each AAdvantage Payment Date, which began in July 2023. The outstanding principal on the 2029 Notes will be repaid in quarterly installments of $250 million on each AAdvantage Payment Date, beginning on July 20, 2026.

The AAdvantage Issuers may redeem the AAdvantage Notes, at their option, in whole or in part, at a redemption price equal to 100% of the principal amount of the AAdvantage Notes redeemed plus a "make-whole" premium, together with accrued and unpaid interest to the date of redemption.

The scheduled maturity date of the term loans under the 2021 AAdvantage Term Loan Facility is April 20, 2028. The outstanding principal on the loans due under such facility will be repaid in quarterly installments of approximately $6 million, on each AAdvantage Payment Date. The scheduled maturity date of the term loans under the 2025 AAdvantage Term Loan Facility is May 28, 2032. The outstanding principal on the loans due under such facility will be repaid in quarterly installments of approximately $3 million, on each AAdvantage Payment Date. These amortization payments (as well as those for the AAdvantage Notes) will be subject to the occurrence of certain early amortization events, including the failure to satisfy a minimum debt service coverage ratio at specified determination dates.

Prepayment of some or all of the outstanding amounts under the AAdvantage Loans is permitted, although payment of an applicable premium is required as specified in the term loans of the AAdvantage Loans.

The AAdvantage Indenture and the AAdvantage Loans contain mandatory prepayment provisions triggered upon (i) the issuance or incurrence by Loyalty Issuer or the SPV Guarantors of certain indebtedness or (ii) the receipt by American or its subsidiaries of net proceeds from pre-paid frequent flyer (i.e., AAdvantage) mileage credit sales exceeding $505 million. Each of these prepayments would also require payment of an applicable premium. Certain other events, including the occurrence of a change of control with respect to AAG and certain AAdvantage Collateral sales exceeding a specified threshold, will also trigger mandatory repurchase or mandatory prepayment provisions under the AAdvantage Indenture and the AAdvantage Loans, respectively.

(d) EETCs issued in 2025

2025-1 Aircraft EETCs

In November 2025, American created two pass-through trusts which issued approximately $1.1 billion aggregate face amount of Series 2025-1 Class A and Class B EETCs (the 2025-1 Aircraft EETCs) in connection with the financing of 25 aircraft delivered or to be delivered to American from October 2025 through March 2026 (the 2025-1 Aircraft). As of December 31, 2025, approximately $978 million of the proceeds had been used to purchase equipment notes issued by American in connection with the financing of 21 aircraft under the 2025-1 Aircraft EETCs. Interest and principal payments on equipment notes issued in connection with the 2025-1 Aircraft EETCs are payable semi-annually in May and November each year, with interest payments scheduled to begin in May 2026 and principal payments scheduled to begin in November 2026. The remaining proceeds of approximately $127 million as of December 31, 2025 were being held in escrow with a depositary for the benefit of the holders of the 2025-1 Aircraft EETCs until such time as American issues additional equipment notes with respect to the remaining 2025-1 Aircraft to the pass-through trusts, which will purchase such additional equipment notes with the escrowed funds. These escrowed funds are not guaranteed by American and are not reported as debt on its consolidated balance sheet because the proceeds held by the depositary for the benefit of the holders of the 2025-1 Aircraft EETCs are not American's assets.

Certain information regarding the 2025-1 Aircraft EETC equipment notes, as of December 31, 2025, is set forth in the table below:

	2025-1 Aircraft EETCs	
	Series A	Series B
Aggregate principal issued	$884 million	$221 million
Remaining escrowed proceeds	$102 million	$25 million
Fixed interest rate per annum	4.90%	5.65%
Maturity date	May 2038	November 2034

(e) Equipment Loans and Other Notes Payable Issued in 2025

In 2025, American entered into agreements under which it borrowed $1.2 billion in connection with the financing of certain aircraft. Debt incurred under these agreements matures in 2036 through 2037 and bears interest at variable rates (comprised of SOFR plus an applicable margin) averaging 5.72% as of December 31, 2025.

(f) PSP Promissory Notes

As partial compensation to the U.S. Government for the provision of financial assistance under the various payroll support program agreements, AAG issued promissory notes to Treasury (PSP1 Promissory Note, PSP2 Promissory Note and PSP3 Promissory Note, collectively the PSP Promissory Notes), in the aggregate principal amount of $3.7 billion which provides for the guarantee of our obligations under the PSP Promissory Notes by AAG's subsidiaries American, Envoy Air Inc., Piedmont and PSA (together, the Subsidiaries).

The PSP1 Promissory Note bears interest at 2.00% plus an interest rate based on SOFR. The PSP2 Promissory Note and PSP3 Promissory Note bear interest at a fixed interest rate of 1.00% until the first and second quarters of 2026, respectively. Thereafter, the notes bear interest at 2.00% plus an interest rate based on SOFR. Interest accrued thereon is payable in arrears on the last business day of March and September of each year. The aggregate principal amount outstanding under the PSP Promissory Notes, together with all accrued and unpaid interest thereon and all other amounts payable under the PSP Promissory Notes, will be due and payable on the applicable maturity date.

The PSP Promissory Notes are our senior unsecured obligation and each guarantee of the PSP Promissory Notes is the senior unsecured obligation of each of the Subsidiaries, respectively.

We may, at any time and from time to time, voluntarily prepay amounts outstanding under the PSP Promissory Notes, in whole or in part, without penalty or premium. Within 30 days of the occurrence of certain change of control triggering events, we are required to prepay the aggregate outstanding principal amount of the PSP Promissory Notes at such time, together with any accrued interest or other amounts owing under the PSP Promissory Notes at such time.

(g) 6.50% Convertible Senior Notes

In June 2020, AAG completed the public offering of $1.0 billion aggregate principal amount of AAG's 6.50% convertible senior notes due 2025 (the Convertible Notes). On March 27, 2025, we provided notice to the holders of our Convertible Notes that we would settle our Convertible Notes at their maturity in cash (including any conversions up to a price per share of AAG common stock of approximately $22.00) if the volume-weighted average price per share of AAG common stock did not exceed approximately $22.00 on any trading day of the 20-trading day "observation period" over which the consideration due upon conversion is calculated and determined. On July 1, 2025, the volume-weighted average price per share of AAG common stock did not exceed $22.00 on any trading day of the 20-trading day "observation period" and therefore the Convertible Notes were settled at their maturity in cash for $1.0 billion.

(h) Short-Term Term Loan Facility

In October 2025, American borrowed $629 million under a senior unsecured short-term term loan facility to refinance in full the $629 million outstanding principal amount of the 10.75% Senior Secured Notes, described above. Term loans under the facility were scheduled to mature on January 21, 2026 and bore interest at SOFR for a tenor of one month plus an applicable margin of 2.375% per annum, payable monthly. The term loans were fully and unconditionally guaranteed by AAG. On January 2, 2026, American voluntarily prepaid the remaining outstanding principal amount of the short-term term loan facility.

Other Financing Activities

In 2025, American prepaid $487 million of the outstanding principal amounts of certain equipment notes issued under EETCs, and these amounts were applied to repay the related trust certificates.

Guarantees

As of December 31, 2025, AAG had issued guarantees covering approximately $14.1 billion of American's debt (and interest thereon), including the Credit Facilities, the AAdvantage Financing, senior secured notes, certain equipment loans and special facility revenue bonds.

Certain Covenants

Our debt agreements contain customary terms and conditions as well as various affirmative, negative and financial covenants that, among other things, may restrict our ability and that of our subsidiaries to incur additional indebtedness, pay dividends or repurchase stock. Our debt agreements also contain customary change of control provisions, which may require us to repay or redeem such indebtedness upon certain events constituting a change of control under the relevant agreement, in certain cases at a premium. Additionally, certain of our debt financing agreements (including our secured notes, term loans, revolving credit facilities and spare engine EETCs) contain loan to value (LTV) or collateral coverage ratio covenants and certain agreements require us to appraise the related collateral annually or semiannually. Pursuant to such agreements, if the applicable LTV or collateral coverage ratio exceeds or falls below a specified threshold, as the case may be, we will be required, as applicable, to pledge additional qualifying collateral (which in some cases may include cash or investment securities), withhold additional cash in certain accounts, or pay down such financing, in whole or in part, or the interest rate for the relevant financing will be increased. Additionally, a significant portion of our debt financing agreements contain covenants requiring us to maintain an aggregate of at least $2.0 billion of unrestricted cash and cash equivalents and amounts available to be drawn under revolving credit facilities, and our AAdvantage Financing contains a peak debt service coverage ratio, pursuant to which failure to comply with a certain threshold may result in early repayment, in whole or in part, of the AAdvantage Financing.

Specifically, we are required to meet certain collateral coverage tests for our Credit Facilities, 7.25% Senior Secured Notes and 8.50% Senior Secured Notes, as described below:

	2013 Credit Facilities	7.25% Senior Secured Notes	2014 Credit Facilities	2023 Credit Facilities	8.50% Senior Secured Notes
LTV Requirement	1.6x Collateral valuation to amount of debt outstanding (62.5% LTV)				
LTV as of Last Measurement Date	38.4%		15.3%	25.4%	
Frequency of Appraisals of Appraised Collateral	Semi-Annual				
Collateral Description	Generally, certain slots, route authorities and airport gate leasehold rights used by American to operate certain services between the U.S. and South America and New Zealand		Generally, certain slots, route authorities and airport gate leasehold rights used by American to operate certain services between the U.S. and European Union (including London Heathrow)	Generally, certain slots, route authorities and airport gate leasehold rights used by American to operate certain services between the U.S. and Australia, Canada, the Caribbean, Central America, China, Hong Kong, Japan, Mexico, South Korea and Switzerland	

At December 31, 2025, we were in compliance with the applicable collateral coverage tests as of the most recent measurement dates.

5. Leases

We lease certain aircraft and engines, including aircraft under capacity purchase agreements. As of December 31, 2025, we operated 677 leased aircraft, including 171 aircraft leased under capacity purchase agreements, with remaining terms ranging from less than one year to approximately 13 years.

At each airport where we conduct flight operations, we have agreements, generally with a governmental unit or authority, for the use of passenger, operations and baggage handling space as well as runways and taxiways. These agreements, particularly in the U.S., often contain provisions for periodic adjustments to rates and charges applicable under such agreements. These rates and charges also vary with our level of operations and the operations of the airport. Because of the variable nature of these rates, these leases are not recorded on our consolidated balance sheets as a ROU asset or a lease liability. Additionally, at our hub locations and in certain other cities we serve, we lease administrative offices, catering, cargo, training, maintenance and other facilities.

The components of lease expense were as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Operating lease cost	$ 1,704	$ 1,851	$ 2,016
Finance lease cost:			
Amortization of assets	128	132	128
Interest on lease liabilities	48	39	45
Variable lease cost	3,395	3,075	2,720
Total net lease cost	$ 5,275	$ 5,097	$ 4,909

Included in the table above are $248 million, $225 million and $274 million of lease costs under our capacity purchase agreement with Republic for the years ended December 31, 2025, 2024 and 2023, respectively. We hold a 20.8% equity interest in Republic Holdings, the parent company of Republic.

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Supplemental balance sheet information related to leases was as follows (in millions, except lease term and discount rate):

	December 31, 2025	December 31, 2024
Operating leases:		
Operating lease ROU assets	$ 7,091	$ 7,333
Current operating lease liabilities	$ 1,058	$ 1,092
Noncurrent operating lease liabilities	5,905	5,976
Total operating lease liabilities	$ 6,963	$ 7,068
Finance leases:		
Property and equipment, at cost	$ 1,445	$ 1,632
Accumulated amortization	(673)	(952)
Property and equipment, net	$ 772	$ 680
Current finance lease liabilities	$ 117	$ 132
Noncurrent finance lease liabilities	610	531
Total finance lease liabilities	$ 727	$ 663
Weighted average remaining lease term (in years):		
Operating leases	8.4	8.2
Finance leases	7.8	7.4
Weighted average discount rate:		
Operating leases	7.4 %	7.5 %
Finance leases	7.1 %	7.0 %

Supplemental cash flow and other information related to leases was as follows (in millions):

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$ 1,647	$ 1,830	$ 2,033
Operating cash flows from finance leases	48	40	48
Financing cash flows from finance leases	122	152	265
Gain (loss) on sale leaseback transactions, net	(13)	76	12

Maturities of lease liabilities were as follows (in millions):

	December 31, 2025	
	Operating Leases	Finance Leases
2026	$ 1,501	$ 164
2027	1,367	152
2028	1,246	110
2029	1,138	102
2030	954	100
2031 and thereafter	3,022	310
Total lease payments	9,228	938
Less: Imputed interest	(2,265)	(211)
Total lease obligations	6,963	727
Less: Current obligations	(1,058)	(117)
Long-term lease obligations	$ 5,905	$ 610

6. Income Taxes

The significant components of the income tax provision were (in millions):

	Year Ended December 31,		
	2025	2024	2023
Deferred income tax provision:			
Federal	$ 72	$ 285	$ 268
State and local	7	23	31
Deferred income tax provision	79	308	299
Total income tax provision	$ 79	$ 308	$ 299

The income tax provision differed from amounts computed at the U.S. federal statutory income tax rate as follows (amounts in millions):

	Year Ended December 31,					
	2025		2024		2023	
	Amount	Rate	Amount	Rate	Amount	Rate
U.S. federal statutory income tax rate	$ 40	21.0 %	$ 242	21.0 %	$ 236	21.0 %
Domestic federal:						
Nontaxable or nondeductible items						
Nondeductible meals and other nondeductible employee benefits	28	15.3 %	22	1.9 %	22	2.0 %
Nondeductible officer compensation	10	5.2 %	12	1.1 %	11	1.0 %
Other nontaxable and nondeductible items	—	— %	11	0.9 %	9	0.8 %
Other	(6)	(3.3)%	—	— %	—	— %
Domestic state and local income taxes, net of federal effect	7	3.0 %	21	1.8 %	21	1.9 %
Effective tax rate	$ 79	41.2 %	$ 308	26.7 %	$ 299	26.7 %

The components of our deferred tax assets and liabilities were (in millions):

	December 31,	
	2025	2024
Deferred tax assets:		
Net operating loss and other carryforwards	$ 4,095	$ 4,292
Loyalty program liability	1,949	1,799
Leases	1,566	1,596
Pension benefits	109	234
Postretirement benefits other than pension benefits	260	270
Rent expense	37	60
Other	676	775
Total deferred tax assets	8,692	9,026
Valuation allowance	(22)	(22)
Net deferred tax assets	8,670	9,004
Deferred tax liabilities:		
Accelerated depreciation and amortization	(4,543)	(4,620)
Leases	(1,594)	(1,656)
Other	(174)	(252)
Total deferred tax liabilities	(6,311)	(6,528)
Net deferred tax asset	$ 2,359	$ 2,476

At December 31, 2025, we had approximately $11.9 billion of gross federal NOLs and $6.0 billion of other carryforwards available to reduce future federal taxable income, of which $1.6 billion will expire beginning in 2033 if unused and $16.3 billion can be carried forward indefinitely. We also had approximately $5.0 billion of NOL carryforwards to reduce future state taxable income at December 31, 2025, which will expire in taxable years 2025 through 2045 if unused.

Our ability to use our NOLs and other carryforwards depends on the amount of taxable income generated in future periods. We provide a valuation allowance for our deferred tax assets, which include our NOLs and other carryforwards, when it is more likely than not that some portion, or all of our deferred tax assets, will not be realized. We consider all available positive and negative evidence and make certain assumptions in evaluating the realizability of our deferred tax assets. Many factors are considered that impact our assessment of future profitability, including conditions which are beyond our control, such as the health of the economy, the availability and price volatility of aircraft fuel and travel demand. We have determined that positive factors outweigh negative factors in the determination of the realizability of our deferred tax assets.

In 2025, we recorded an income tax provision of $79 million with an effective rate of approximately 41.2%, which was substantially non-cash. Substantially all of our income before income taxes is attributable to the United States.

We file our tax returns as prescribed by the tax laws of the jurisdictions in which we operate. Our 2022 through 2024 tax years are still subject to examination by the Internal Revenue Service. Various state, local and foreign jurisdiction tax years remain open to examination, and we are under examination, in administrative appeals or engaged in tax litigation in certain jurisdictions. We believe that the effect of any assessments will not be material to our consolidated financial statements.

The amount of, and changes to, our uncertain tax positions were not material in any of the years presented. We accrue interest and penalties related to unrecognized tax benefits in interest expense and operating expense, respectively.

7. Fair Value Measurements

Assets Measured at Fair Value on a Recurring Basis

Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability (i.e., an exit price) on the measurement date in an orderly transaction between market participants in the principal or most advantageous market for the asset or liability. Accounting standards include disclosure requirements around fair values used for certain financial instruments and establish a fair value hierarchy. The hierarchy prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of three levels:

- Level 1 – Observable inputs such as quoted prices in active markets;
- Level 2 – Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

When available, we use quoted market prices to determine the fair value of our financial assets. If quoted market prices are not available, we measure fair value using valuation techniques that use, when possible, current market-based or independently-sourced market parameters, such as interest rates and currency rates.

We utilize the market approach to measure the fair value of our financial assets. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. Our short-term investments, restricted cash and restricted short-term investments classified as Level 2 utilize significant observable inputs, other than quoted prices in active markets, for valuation of these securities. No changes in valuation techniques or inputs occurred during the year ended December 31, 2025.

Assets measured at fair value on a recurring basis are summarized below (in millions):

	Fair Value Measurements as of December 31, 2025			
	Total	Level 1	Level 2	Level 3
Short-term investments [1], [2]:				
Money market funds	$ 829	$ 829	$ —	$ —
Corporate obligations	3,063	—	3,063	—
Bank notes/certificates of deposit/time deposits	590	—	590	—
Repurchase agreements	400	—	400	—
	4,882	829	4,053	—
Restricted cash and short-term investments [1], [3]	735	425	310	—
Long-term investments [4]	209	209	—	—
Total	$ 5,826	$ 1,463	$ 4,363	$ —

	Fair Value Measurements as of December 31, 2024			
	Total	Level 1	Level 2	Level 3
Short-term investments [1]:				
Money market funds	$ 680	$ 680	$ —	$ —
Corporate obligations	2,909	—	2,909	—
Bank notes/certificates of deposit/time deposits	2,041	—	2,041	—
Repurchase agreements	550	—	550	—
	6,180	680	5,500	—
Restricted cash and short-term investments [1], [3]	732	442	290	—
Long-term investments [4]	161	161	—	—
Total	$ 7,073	$ 1,283	$ 5,790	$ —

(1) All short-term investments are classified as available-for-sale and stated at fair value. Unrealized gains and losses are recorded in accumulated other comprehensive loss at each reporting period. There were no credit losses.

(2) Our short-term investments as of December 31, 2025 mature in one year or less.

(3) Restricted cash and short-term investments primarily include collateral held to support workers' compensation obligations, collateral associated with the payment of interest for the AAdvantage Financing and money market funds to be used to finance the cost of improvements at the Tulsa Maintenance Base. Restricted short-term investments principally mature in one year or less.

(4) Long-term investments primarily include our equity investment in China Southern Airlines Company Limited (China Southern Airlines). See Note 8 for further information on our equity investments.

Fair Value of Debt

The fair value of our long-term debt was estimated using quoted market prices or discounted cash flow analyses based on our current estimated incremental borrowing rates for similar types of borrowing arrangements. The fair value of the Convertible Notes, which would have been classified as Level 2, was $1.2 billion as of December 31, 2024.

The carrying value and estimated fair value of our long-term debt, including current maturities, were as follows (in millions):

	December 31, 2025				
	Carrying Value	Fair Value			
		Total	Level 1	Level 2	Level 3
Long-term debt, including current maturities	$ 28,280	$ 28,582	$ —	$ 25,051	$ 3,531

	December 31, 2024				
	Carrying Value	Fair Value			
		Total	Level 1	Level 2	Level 3
Long-term debt, including current maturities	$ 29,813	$ 30,010	$ —	$ 26,402	$ 3,608

8. Investments

To help expand our network and as part of our ongoing commitment to sustainability, we enter into various commercial relationships or other strategic partnerships, including equity investments, with other airlines and companies.

Our equity investments, ownership interest and carrying value were as follows:

		Ownership Interest		Carrying Value (in millions)	
		December 31,		December 31,	
	Accounting Treatment	2025	2024	2025	2024
Republic Holdings (1)	Equity Method	20.8 %	25.0 %	$ 254	$ 253
China Southern Airlines	Fair Value	1.5 %	1.5 %	203	142
Other investments (2)	Various			146	120
Total				$ 603	$ 515

(1) In November 2025, Republic Holdings completed a merger with Mesa Air Group, Inc. As a result, our equity interest in Republic Holdings decreased from 25.0% to 20.8%.

(2) Primarily includes our investment in JetSMART Holdings Limited, which is accounted for under the equity method.

9. Employee Benefit Plans

We sponsor defined benefit and defined contribution pension plans for eligible employees. The defined benefit pension plans provide benefits for participating employees based on years of service and average compensation for a specified period of time before retirement. Effective November 1, 2012, substantially all of our defined benefit pension plans were frozen and we began providing enhanced benefits under our defined contribution pension plans for certain employee groups. We use a December 31 measurement date for all of our defined benefit pension plans. We also provide certain retiree medical and other postretirement benefits, including health care and life insurance benefits to retired employees and notional retiree health reimbursement arrangements for eligible participants.

Benefit Obligations, Fair Value of Plan Assets and Funded Status

The following tables provide a reconciliation of the changes in the pension and retiree medical and other postretirement benefits obligations, fair value of plan assets and funded status as of December 31, 2025 and 2024:

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
Benefit obligation at beginning of period	$ 13,349	$ 14,410	$ 1,308	$ 1,325
Service cost	3	2	23	29
Interest cost	730	723	69	64
Actuarial loss (gain) [1], [2]	168	(741)	(11)	(58)
Plan amendments [3]	—	—	—	55
Benefit payments	(919)	(913)	(130)	(107)
Other	—	(132)	—	—
Benefit obligation at end of period	$ 13,331	$ 13,349	$ 1,259	$ 1,308
Fair value of plan assets at beginning of period	$ 12,254	$ 12,431	$ 128	$ 133
Actual return on plan assets	1,229	568	15	9
Employer contributions [4]	228	300	105	93
Benefit payments	(919)	(913)	(130)	(107)
Other	—	(132)	—	—
Fair value of plan assets at end of period	$ 12,792	$ 12,254	$ 118	$ 128
Funded status at end of period	$ (539)	$ (1,095)	$ (1,141)	$ (1,180)

(1) The 2025 and 2024 pension actuarial loss (gain) primarily relates to the change in our weighted average discount rate assumption.

(2) The 2025 and 2024 retiree medical and other postretirement benefits actuarial gain primarily relates to changes in certain retirement assumptions, offset in part by increases in health care premiums and health care cost assumptions. Changes in our weighted average discount rate assumption also impacted the net actuarial gain in 2025 and 2024.

(3) In 2024 we remeasured our retiree medical and other postretirement benefits to account for enhanced retirement benefits pursuant to the ratification of new CBAs. As a result, we increased our postretirement benefits obligation by $55 million, which was included as a component of prior service cost in accumulated other comprehensive loss.

(4) In 2025 and 2024, we made required contributions of $224 million and $285 million, respectively, to our defined benefit pension plans.

Balance Sheet Position

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
As of December 31:				
Current liability	$ 4	$ 5	$ 108	$ 142
Noncurrent liability	535	1,090	1,033	1,038
Total liabilities	$ 539	$ 1,095	$ 1,141	$ 1,180

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
As of December 31:				
Net actuarial loss (gain)	$ 2,907	$ 3,128	$ (395)	$ (408)
Prior service cost	—	1	220	238
Total accumulated other comprehensive loss (income), pre-tax	$ 2,907	$ 3,129	$ (175)	$ (170)

Plans with Projected Benefit Obligations Exceeding Fair Value of Plan Assets

	Pension Benefits	
	2025	2024
	(In millions)	
As of December 31:		
Projected benefit obligation	$ 8,820	$ 13,349
Fair value of plan assets	8,221	12,254

Plans with Accumulated Benefit Obligations Exceeding Fair Value of Plan Assets

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
As of December 31:				
Accumulated benefit obligation	$ 8,814	$ 13,341	$ —	$ —
Accumulated postretirement benefit obligation	—	—	1,259	1,308
Fair value of plan assets	8,221	12,254	118	128

Net Periodic Benefit Cost (Income)

	Pension Benefits			Retiree Medical and Other Postretirement Benefits		
	2025	2024	2023	2025	2024	2023
	(In millions)					
For the years ended December 31:						
Defined benefit plans:						
Service cost	$ 3	$ 2	$ 2	$ 23	$ 29	$ 17
Interest cost	730	723	758	69	64	55
Expected return on assets	(929)	(978)	(918)	(9)	(10)	(11)
Amortization of:						
Prior service cost (benefit)	1	—	18	17	14	(6)
Unrecognized net loss (gain)	91	105	106	(27)	(31)	(34)
Net periodic benefit cost (income)	$ (104)	$ (148)	$ (34)	$ 73	$ 66	$ 21

The service cost component of net periodic benefit cost (income) is included in operating expenses and the other components of net periodic benefit cost (income) are included in nonoperating other income (expense), net on our consolidated statements of operations.

Assumptions

The following actuarial assumptions were used to determine our benefit obligations and net periodic benefit cost (income) for the periods presented:

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
Benefit obligations as of December 31:				
Weighted average discount rate	5.5%	5.7%	5.3%	5.6%

	Pension Benefits			Retiree Medical and Other Postretirement Benefits		
	2025	2024	2023	2025	2024	2023
Net periodic benefit cost (income) for the years ended December 31:						
Weighted average discount rate	5.7%	5.2%	5.6%	5.6%	5.3%	5.7%
Weighted average expected rate of return on plan assets	7.75%	8.0%	8.0%	7.75%	8.0%	8.0%
Weighted average health care cost trend rate assumed for next year [1]	N/A	N/A	N/A	7.0%	6.5%	6.5%

[1] The weighted average health care cost trend rate at December 31, 2025 is assumed to decline gradually to 4.5% by 2036 and remain level thereafter.

As of January 1, 2026, our estimate of the long-term rate of return on plan assets is 7.3% based on the target asset allocation. Expected returns on long duration bonds are based on yields to maturity of the bonds held at year-end. Expected returns on other assets are based on a combination of long-term historical returns, actual returns on plan assets achieved over the last 10 years, current and expected market conditions, and expected value to be generated through active management and securities lending programs.

Minimum Contributions

We are required to make minimum contributions to our defined benefit pension plans under the minimum funding requirements of the Employee Retirement Income Security Act of 1974 (ERISA) and various other laws for U.S. based plans as well as underfunding rules specific to countries where we maintain defined benefit pension plans. Based on current funding assumptions, we have minimum required contributions of $238 million for 2026 including contributions to defined benefit pension plans for our wholly-owned subsidiaries. Our future funding obligations will depend on the performance of our investments held in a trust by the pension plans, interest rates for determining funding targets, the amount of and timing of any supplemental contributions and our actuarial experience.

In January 2026, we made required contributions of $236 million and a supplemental contribution of $50 million to our defined benefit pension plans.

Benefit Payments

The following benefit payments, which reflect expected future service as appropriate, are expected to be paid (approximately, in millions):

	2026	2027	2028	2029	2030	2031-2035
Pension benefits	$ 984	$ 999	$ 1,012	$ 1,023	$ 1,029	$ 5,113
Retiree medical and other postretirement benefits	136	138	140	139	137	610

Plan Assets

The objectives of our investment policies are to: maintain sufficient income and liquidity to pay retirement benefits; produce a long-term rate of return that meets or exceeds the assumed rate of return for plan assets; limit the volatility of asset performance and funded status; and diversify assets among asset classes and investment managers.

Based on these investment objectives, a long-term strategic asset allocation has been established. This strategic allocation seeks to balance the potential benefit of improving the funded position with the potential risk that the funded position would decline. The current strategic target asset allocation with the corresponding allowed range is as follows:

Asset Class/Sub-Class	Target Allocation	Allowed Range
Equity	45%	10% - 80%
Public:		
U.S.	18%	5% - 40%
International developed markets	9%	0% - 20%
Emerging markets	3%	0% - 10%
Private equity	15%	5% - 35%
Fixed income	55%	15% - 90%
Public U.S. fixed income	45%	15% - 70%
Private income	10%	0% - 20%
Other	0%	0% - 5%
Cash equivalents	0%	0% - 20%

Public equity investments are intended to provide a real return over a full market cycle and, therefore, to contribute to the pension plan's long-term objective. Public fixed income investments are intended to provide income to the plan and offer the potential for long term capital appreciation. Private investments, such as private equity and private income, are used to provide higher expected returns than public markets over the long-term by assuming reduced levels of liquidity and higher levels of risk. The pension plan's master trust participates in securities lending programs to generate additional income by loaning plan assets to borrowers on a fully collateralized basis. The pension plan's master trust will also engage in derivative instruments to equitize residual levels of cash as well as hedge the pension plan's exposure to interest rates. Such programs are subject to market risk and counterparty risk.

Investments in securities traded on recognized securities exchanges are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market are valued at the last bid price. Investments in limited partnerships are carried at estimated net asset value (NAV) as determined by and reported by the general partners of the partnerships and represent the proportionate share of the estimated fair value of the underlying assets of the limited partnerships. Mutual funds are valued once daily through a NAV calculation provided at the end of each trade day. Common/collective trusts are valued at NAV based on the fair values of the underlying investments of the trusts as determined by the sponsor of the trusts. No changes in valuation techniques or inputs occurred during the year.

Benefit Plan Assets Measured at Fair Value on a Recurring Basis

The fair value of our pension plan assets at December 31, 2025 and 2024, by asset category, were as follows (in millions) [1]:

	December 31, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equity [2]	$ 2,087	$ —	$ —	$ 2,087	$ 2,498	$ —	$ —	$ 2,498
Fixed income [3]	476	5,390	—	5,866	439	3,723	—	4,162
Other, net [4]	144	288	63	495	91	144	68	303
Measured at NAV [5]:								
Common collective trusts [6]	—	—	—	273	—	—	—	1,153
Private investments [7]	—	—	—	4,071	—	—	—	4,138
Total plan assets	$ 2,707	$ 5,678	$ 63	$ 12,792	$ 3,028	$ 3,867	$ 68	$ 12,254

[1] See Note 7 for a description of the levels within the fair value hierarchy.

[2] Equity investments primarily include domestic and international common stock.

[3] Fixed income investments primarily include corporate and government bonds, as well as mutual funds invested in fixed income securities.

[4] Other primarily includes a short-term investment fund, net receivables and payables of the pension plan's master trust for dividends, interest and amounts due to or from the sale and purchase of securities and cash and cash equivalents.

[5] Includes investments that were measured at NAV per share (or its equivalent) as a practical expedient that have not been classified in the fair value hierarchy.

[6] Common collective trusts include commingled funds primarily invested in equity securities.

[7] Private investments include limited partnerships that invest primarily in domestic private equity and private income opportunities. The pension plan's master trust does not have the right to redeem its limited partnership investment at its NAV, but rather receives distributions as the underlying assets are liquidated. It is estimated that the underlying assets of these funds will be gradually liquidated over the next 10 years. As of December 31, 2025, the pension plan's master trust has future funding commitments to these limited partnerships of approximately $1.0 billion, most of which are expected to be called over the next seven years.

Changes in fair value measurements of Level 3 investments during the years ended December 31, 2025 and 2024, were as follows (in millions):

	2025	2024
Balance at beginning of year	$ 68	$ 84
Actual gain (loss) on plan assets:		
Relating to assets still held at the reporting date	(8)	(25)
Purchases	5	9
Sales	(2)	—
Balance at end of year	$ 63	$ 68

Plan assets in the retiree medical and other postretirement benefits plans are primarily Level 2 mutual funds valued by quoted prices on the active market, which is fair value, and represents the NAV of the shares of such funds as of the close of business at the end of the period. NAV is based on the fair market value of the funds' underlying assets and liabilities at the date of determination.

Defined Contribution and Multiemployer Plans

The costs associated with our defined contribution plans were $1.6 billion, $1.4 billion and $1.1 billion for the years ended December 31, 2025, 2024 and 2023, respectively.

We participate in the International Association of Machinists & Aerospace Workers (IAM) National Pension Fund, Employer Identification No. 51-6031295 and Plan No. 002 (the IAM Pension Fund). Our contributions to the IAM Pension Fund were $63 million, $57 million and $52 million for the years ended December 31, 2025, 2024 and 2023, respectively. The IAM Pension Fund reported $640 million in employers' contributions for the year ended December 31, 2024, which is the most recent year for which such information is available. For 2024 and 2023, our contributions represented more than 5% of total contributions to the IAM Pension Fund.

On March 29, 2019, the actuary for the IAM Pension Fund certified that the fund was in "endangered" status despite reporting a funded status of over 80%. Additionally, the IAM Pension Fund's Board voluntarily elected to enter into "critical" status on April 17, 2019. Upon entry into critical status, the IAM Pension Fund was required by law to adopt a rehabilitation plan aimed at restoring the financial health of the pension plan and did so on April 17, 2019 (the Rehabilitation Plan). Under the Rehabilitation Plan, we were subject to an immaterial contribution surcharge, which ceased to apply June 14, 2019 upon our mandatory adoption of a contribution schedule under the Rehabilitation Plan. The contribution schedule requires 2.5% annual increases to our contribution rate. This contribution schedule will remain in effect through the earlier of December 31, 2031 or the date the IAM Pension Fund emerges from critical status. As of the most recent data available, the IAM Pension Fund remains in critical status.

Profit Sharing Program

Our annual profit sharing program is funded by 10% of adjusted pre-tax earnings up to $2.5 billion and 20% of earnings above that threshold. Adjusted pre-tax earnings exclude net special items and certain other amounts, as defined by the plan. For the year ended December 31, 2025, we accrued $55 million for this program, which will be distributed to employees in the first quarter of 2026.

10. Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive income (loss) (AOCI) are as follows (in millions):

	Pension, Retiree Medical and Other Postretirement Benefits	Unrealized Gain (Loss) on Investments	Income Tax Provision [1]	Total
Balance at December 31, 2023	$ (3,380)	$ (2)	$ (1,512)	$ (4,894)
Other comprehensive income (loss) before reclassifications	333	2	(74)	261
Amounts reclassified from AOCI	88	—	(20)	68
Net current-period other comprehensive income (loss)	421	2	(94)	329
Balance at December 31, 2024	(2,959)	—	(1,606)	(4,565)
Other comprehensive income (loss) before reclassifications	145	—	(33)	112
Amounts reclassified from AOCI	82	—	(18)	64
Net current-period other comprehensive income (loss)	227	—	(51)	176
Balance at December 31, 2025	$ (2,732)	$ —	$ (1,657)	$ (4,389)

[1] Relates principally to pension, retiree medical and other postretirement benefits obligations that will not be recognized in net income until the obligations are fully extinguished. Amounts reclassified from AOCI are recognized within the income tax provision on our consolidated statements of operations.

Reclassifications out of AOCI for the years ended December 31, 2025 and 2024 are as follows (in millions):

AOCI Components	Amounts reclassified from AOCI Year Ended December 31, 2025	2024	Affected line items on the consolidated statements of operations
Amortization of pension, retiree medical and other postretirement benefits:			
Prior service cost	$ 14	$ 11	Nonoperating other income (expense), net
Actuarial loss	50	57	Nonoperating other income (expense), net
Total reclassifications for the period, net of tax	$ 64	$ 68	

11. Commitments, Contingencies and Guarantees

(a) Aircraft, Engine and Other Purchase Commitments

Under all of our aircraft and engine purchase agreements, our total future commitments as of December 31, 2025 are expected to be as follows (approximately, in millions):

	2026	2027	2028	2029	2030	2031 and Thereafter	Total
Payments for aircraft and engine commitments [1]	$ 2,931	$ 2,468	$ 4,021	$ 4,921	$ 3,151	$ 6,696	$ 24,188

(1) These amounts are net of purchase deposits currently held by the equipment manufacturers. Our purchase deposits held by such manufacturers totaled $656 million and $1.0 billion as of December 31, 2025 and 2024, respectively.

Due to uncertainty surrounding the timing of delivery of certain aircraft, the amounts in the table represent our most current estimate based on contractual delivery schedules adjusted for updates and revisions to such schedules communicated to management by the applicable equipment manufacturer and certain management assumptions. However, the actual delivery schedule may differ, potentially materially, based on various potential factors including production delays by the equipment manufacturers and regulatory concerns.

Additionally, we have other purchase commitments primarily related to aircraft fuel, flight equipment maintenance and information technology support as follows (approximately): $4.1 billion in 2026, $1.8 billion in 2027, $1.6 billion in 2028, $495 million in 2029, $615 million in 2030 and $3.7 billion in 2031 and thereafter. These amounts exclude obligations under certain fuel offtake agreements or other agreements for which the timing of the related expenditure is uncertain, or which are subject to material contingencies, such as the construction of a production facility.

(b) Capacity Purchase Agreements with Third-Party Regional Carriers

American has capacity purchase agreements with third-party regional carriers. The capacity purchase agreements provide that all revenues, including passenger, in-flight, ancillary, mail and freight revenues, go to American. American controls marketing, scheduling, ticketing, pricing and seat inventories. In return, American agrees to pay predetermined fees to these airlines for operating an agreed-upon number of aircraft, without regard to the number of passengers on board. In addition, these agreements provide that American either reimburses or pays 100% of certain variable costs, such as airport landing fees, fuel and passenger liability insurance.

As of December 31, 2025, American's capacity purchase agreements with third-party regional carriers had expiration dates ranging from 2032 to 2033, with rights of American to extend the respective terms of certain agreements.

As of December 31, 2025, American's commitments under its capacity purchase agreements with third-party regional carriers are expected to be as follows (approximately, in millions):

	2026	2027	2028	2029	2030	2031 and Thereafter	Total
Regional capacity purchase agreements [1]	$ 1,159	$ 1,156	$ 1,082	$ 900	$ 457	$ 399	$ 5,153

(1) These commitments are estimates of costs based on assumed minimum levels of flying under the capacity purchase agreements and American's actual payments could differ materially.

(c) Construction Projects

Los Angeles International Airport (LAX)

In 2018, we executed a lease agreement with Los Angeles World Airports (LAWA), which owns and operates LAX, in connection with a $1.6 billion modernization project related to LAX Terminals 4 and 5. Construction started in October 2018 and is expected to be completed in 2028 in a phased approach. Under the lease agreement and subsequent project component approvals, the City of Los Angeles Board of Airport Commissioners has appropriated approximately $1.6 billion to purchase completed project assets, representing the maximum allowable reimbursement by LAWA. In September 2024, we executed an agreement to where a substantial majority of the non-proprietary project costs will be funded through the Regional Airports Improvement Corporation (RAIC), a quasigovernmental special purpose entity that acts as a conduit borrower under a syndicated credit facility provided by a group of lenders in the form of a $250 million revolving credit facility. Loans made under the credit facility are being repaid with the proceeds from LAWA's purchase of completed project assets. We guarantee the obligation of the RAIC under the credit facility associated with the Terminals 4 and 5 lease. As of December 31, 2025, our outstanding guaranteed obligation under the credit facility for the Terminals 4 and 5 project was $135 million. Additionally, we have recovered $1.3 billion since project inception through the end of 2025 and expect to receive approximately $292 million in additional reimbursements by the end of 2028.

As we control the assets during construction, they are recognized on our consolidated balance sheets within operating property and equipment until the assets are sold and transferred. For the years ended December 31, 2025, 2024 and 2023, we have sold and transferred $163 million, $588 million and $170 million of non-proprietary improvements, respectively, which are included within proceeds from sale-leaseback transactions and sale of property and equipment on our consolidated statements of cash flows. For the years ended December 31, 2025, 2024 and 2023, we incurred $107 million, $187 million and $283 million, respectively, of non-proprietary improvement costs relating to the LAX modernization project. Cash payments related to these improvements are included within other investing activities on our consolidated statements of cash flows.

Tulsa Maintenance Base

Improvements to the Tulsa Maintenance Base include the design, construction and renovation of various facilities therein. The Tulsa Maintenance Base is American's largest maintenance facility and is an integral part of operating its mainline fleet. We have concluded that we do not control the underlying assets being constructed, and therefore, we recognize operating lease liabilities with corresponding ROU assets on the consolidated balance sheet as individual project stages are completed and leases commence.

In May 2025, the Tulsa Municipal Airport Trust (TMAT) issued $400 million aggregate principal amount of special facility revenue bonds on behalf of American, with $300 million maturing on December 1, 2035 and $100 million maturing on December 1, 2040 (collectively, the 2025 TMAT Bonds). The 2025 TMAT Bond due December 1, 2035 was priced at 109% of par value and the 2025 TMAT Bond due December 1, 2040 was priced at 107% of par value. The gross proceeds from the issuance of the 2025 TMAT Bonds were approximately $432 million. Of this amount, $104 million was used to fund the redemption of the aggregate principal amount of TMAT's outstanding 2015 special facility revenue bonds (the 2015 TMAT Bonds), and the remaining $328 million will be used to finance the cost of improvements at the Tulsa Maintenance Base, which are expected to be completed in 2028. The net proceeds received from the 2025 TMAT Bonds, offset by related project spend, are reflected within other investing activities in the consolidated statement of cash flows.

The 2025 TMAT Bonds bear interest at 6.25% per annum commencing on May 8, 2025, until the day preceding the applicable maturity date, on which date the bonds will be subject to mandatory tender for purchase by American. American is required to pay rent equal to the annual principal and interest requirement on the 2025 TMAT Bonds through payments under a sublease agreement with TMAT (as amended), and AAG guarantees the 2025 TMAT Bonds. American's obligations under both the sublease agreement with TMAT and the 2025 TMAT Bonds are secured by a leasehold mortgage on American's lease of the Tulsa Maintenance Base.

(d) Off-Balance Sheet Arrangements

Pass-Through Trusts

American currently has 280 owned aircraft and 60 owned spare aircraft engines, which in each case were financed with EETCs issued by pass-through trusts. These trusts are off-balance sheet entities, the primary purpose of which is to finance the acquisition of flight equipment or to permit issuance of debt backed by existing flight equipment. In the case of aircraft EETCs, rather than finance each aircraft separately when such aircraft is purchased, delivered or refinanced, these trusts allow American to raise the financing for a number of aircraft at one time and, if applicable, place such funds in escrow pending a future purchase, delivery or refinancing of the relevant aircraft. Similarly, in the case of spare engine EETCs, the trusts allow American to use its existing pool of spare engines to raise financing under a single facility. The trusts have also been structured to provide for certain credit enhancements, such as liquidity facilities to cover certain interest payments, that reduce the risks to the purchasers of the trust certificates and, as a result, reduce the cost of aircraft financing to American.

Each trust covers a set number of aircraft or spare engines scheduled to be delivered, financed or refinanced upon the issuance of the EETC or within a specific period of time thereafter. At the time of each covered aircraft or spare engine financing, the relevant trust used the proceeds from the issuance of the EETC (which may have been available at the time of issuance thereof or held in escrow until financing of the applicable aircraft following its delivery) to purchase equipment notes relating to the financed aircraft or engines. The equipment notes are issued, at American's election, in connection with a mortgage financing of the aircraft or spare engines. The equipment notes are secured by a security interest in the aircraft or engines, as applicable. The pass-through trust certificates are not direct obligations of, nor are they guaranteed by, AAG or American. However, the equipment notes issued to the trusts are direct obligations of American and, in certain instances, have been guaranteed by AAG. As of December 31, 2025, $6.9 billion associated with these mortgage financings is reflected as debt in the accompanying consolidated balance sheet.

Letters of Credit and Other

We provide financial assurance, such as letters of credit and surety bonds, primarily to support projected workers' compensation obligations and airport commitments. As of December 31, 2025, we had $412 million of letters of credit and surety bonds securing various obligations, of which $97 million is collateralized with our restricted cash. The letters of credit and surety bonds that are subject to expiration will expire on various dates through 2037.

(e) Legal Proceedings

Private Party Antitrust Actions Related to the Northeast Alliance (NEA). On December 5, 2022 and December 7, 2022, two private party plaintiffs filed putative class action antitrust complaints against AAG and JetBlue Airways Corporation (JetBlue) in the U.S. District Court for the Eastern District of New York alleging that AAG and JetBlue violated U.S. antitrust law in connection with the previously disclosed NEA. These actions were consolidated on January 10, 2023. The private party plaintiffs filed an amended consolidated complaint on February 3, 2023. On February 2, 2023 and February 15, 2023, private party plaintiffs filed two additional putative class action antitrust complaints against AAG and JetBlue in the U.S. District Court for the District of Massachusetts and the U.S. District Court for the Eastern District of New York, respectively. In March 2023, AAG filed a motion in the U.S. District Court for the District of Massachusetts case asking to transfer the case to the U.S. District Court for the Eastern District of New York and consolidate it with the cases pending in that venue. The U.S. District Court for the District of Massachusetts granted that motion. The remaining cases were consolidated with the other actions in the Eastern District of New York. In June 2023, the private party plaintiffs filed a second amended consolidated complaint, followed by a third amended complaint filed in August 2023. In September 2023, AAG, together with JetBlue, filed a motion to dismiss the third amended complaint. In September 2024, the court denied that motion. AAG and JetBlue filed answers to the private party plaintiffs' third amended complaint in October 2024. We believe these lawsuits are without merit and are defending against them vigorously.

Securities and Stockholder Derivative Litigation. On July 18, 2024, AAG and certain of its current and former officers were named as defendants in a putative class action lawsuit filed in the U.S. District Court for the Northern District of Texas, captioned *Qawasmi v. American Airlines Group Inc., et al*. The *Qawasmi* plaintiff purported to represent investors who acquired AAG securities between January 25, 2024 and May 28, 2024. On August 28, 2024, AAG and certain of its current and former officers were named as defendants in a second putative class action lawsuit filed in the same court, captioned *Thornburg v. American Airlines Group Inc., et al*. The *Thornburg* plaintiff purported to represent investors who acquired AAG securities between July 20, 2023 and May 28, 2024. Both the *Qawasmi* and *Thornburg* complaints asserted violations of Sections 10(b) and 20(a) of the Exchange Act based on allegations that, during the relevant periods, AAG misrepresented and/or omitted material facts related to its financial outlook and certain commercial initiatives. On

November 22, 2024, the *Qawasmi* and *Thornburg* complaints were consolidated into a single action bearing the caption *In re American Airlines Group Inc. Securities Litigation.* The court also appointed co-lead plaintiffs and lead counsel to represent the putative class in the consolidated action. Plaintiffs filed a consolidated complaint on January 21, 2025, and an amended consolidated complaint on March 19, 2025. The consolidated complaint made similar factual allegations to the prior complaints regarding AAG's financial outlook and certain commercial initiatives. AAG and the individual defendants filed a joint motion to dismiss on March 21, 2025. On November 15, 2025, the court granted AAG's motion in full, dismissing the complaint with prejudice. The court entered final judgment in favor of defendants on November 18, 2025. Plaintiffs did not appeal the order, and the case is closed.

Additionally, on September 19, 2024, certain of AAG's current and former directors and officers were named as defendants in a shareholder derivative lawsuit (in which AAG is a nominal defendant) filed in the U.S. District Court for the Northern District of Texas, captioned *Hollin v. Isom, et al*. The *Hollin* complaint asserted violations of Section 10(b) of the Exchange Act, breach of fiduciary duty, and claims for unjust enrichment and corporate waste. On September 26, 2024, a second derivative complaint was filed in the same court, similarly naming certain of AAG's current and former directors and officers (as well as AAG as a nominal defendant), captioned *Leon v. Isom, et al*. The *Leon* complaint asserted violations of Section 14(a) of the Exchange Act, breaches of fiduciary duty, claims of unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and a claim for contribution. The *Hollin* and *Leon* complaints generally alleged the same purported misconduct as alleged in the securities class action. On November 25, 2024, the *Hollin* and *Leon* complaints were consolidated into a single action bearing the caption *In re American Airlines Group Inc. Stockholder Derivative Litigation*. Plaintiffs and AAG filed a joint motion to voluntarily dismiss the consolidated derivative action without prejudice on February 5, 2026, and on February 6, 2026, the court granted AAG's motion in full, dismissing all claims in the matter without prejudice and entering final judgment in favor of defendants.

American Eagle Flight 5342 Accident Litigation. On January 29, 2025, American Eagle flight 5342 was involved in a fatal accident in Washington, D.C. The Bombardier CRJ700 aircraft operated by PSA was en route to Washington, D.C. from Wichita, Kansas when it was involved in a midair collision near Ronald Reagan Washington National Airport. Beginning on September 24, 2025, multiple wrongful death and survival actions have been filed in the U.S. District Court for the District of Columbia related to the accident. We expect additional actions will continue to be filed. All cases have been assigned to the same judge and are subject to streamlined pleading and discovery procedures. The court required plaintiffs to file a single consolidated Master Complaint (MC), with later joining plaintiffs to file short form complaints adopting the MC and adding any plaintiff-specific information. The MC alleges that the U.S. Government, American and PSA negligently caused or contributed to the accident. In December 2025, American and PSA filed motions to dismiss asserting several defenses. Briefing on the motions to dismiss is ongoing, with a hearing set for February 27, 2026. Discovery is ongoing pursuant to an expedited 18-month discovery and pre-trial calendar, which sets the trial date for April 12, 2027. We believe these lawsuits are without merit as to American and PSA and are defending against them vigorously.

General. In addition to the specifically identified legal proceedings, we and our subsidiaries are also engaged in other legal proceedings from time to time. Legal proceedings can be complex and take many months, or even years, to reach resolution, with the final outcome depending on a number of variables, some of which are not within our control. Therefore, although we will vigorously defend ourselves in each of the actions described above and such other legal proceedings, their ultimate resolution and potential financial and other impacts on us are uncertain but could be material.

(f) Guarantees and Indemnifications

We are party to many routine contracts in which we provide general indemnities in the normal course of business to third parties for various risks. We are not able to estimate the potential amount of any liability resulting from the indemnities. These indemnities are discussed in the following paragraphs.

In our aircraft financing agreements, we generally indemnify the financing parties, trustees acting on their behalf and other relevant parties against liabilities (including certain taxes) resulting from the financing, manufacture, design, ownership, operation and maintenance of the aircraft regardless of whether these liabilities (including certain taxes) relate to the negligence of the indemnified parties.

Our loan agreements and certain other financing transactions may obligate us to reimburse the applicable lender for incremental costs due to a change in law that imposes (i) any reserve or special deposit requirement against assets of, deposits with or credit extended by such lender related to the loan, (ii) any tax, duty or other charge with respect to the loan (except standard income tax) or (iii) capital adequacy requirements. In addition, our loan agreements and other financing arrangements typically contain a withholding tax provision that requires us to pay additional amounts to the

applicable lender or other financing party, generally if withholding taxes are imposed on such lender or other financing party as a result of a change in the applicable tax law.

In certain transactions, including certain aircraft financing leases and loans, the lessors, lenders and/or other parties have rights to terminate the transaction based on changes in foreign tax law, illegality or certain other events or circumstances. In such a case, we may be required to make a lump sum payment to terminate the relevant transaction.

We have general indemnity clauses in many of our airport and other real estate leases where we as lessee indemnify the lessor (and related parties) against liabilities related to our use of the leased property. Generally, these indemnifications cover liabilities resulting from the negligence of the indemnified parties, but not liabilities resulting from the gross negligence or willful misconduct of the indemnified parties. In addition, we provide environmental indemnities in many of these leases for contamination related to our use of the leased property.

Under certain contracts with third parties, we indemnify the third-party against legal liability arising out of an action by the third-party, or certain other parties. The terms of these contracts vary and the potential exposure under these indemnities cannot be determined. We have liability insurance protecting us from some of the obligations we have undertaken under these indemnities.

American is required to make principal and interest payments for certain special facility revenue bonds issued by municipalities primarily to build or improve airport facilities and purchase equipment, which are leased to American. The payment of principal and interest of certain special facility revenue bonds is guaranteed by AAG. As of December 31, 2025, the remaining lease payments through 2040 guaranteeing the principal and interest on these bonds are $703 million and the current carrying amount of the associated operating lease liability in the accompanying consolidated balance sheet is $427 million.

As of December 31, 2025, AAG had issued guarantees covering approximately $14.1 billion of American's debt (and interest thereon), including the Credit Facilities, the AAdvantage Financing, senior secured notes, certain equipment loans and special facility revenue bonds.

(g) Credit Card Processing Agreements

We have agreements with companies that process customer credit card transactions for the sale of air travel and other services. Our agreements allow these credit card processing companies, under certain conditions, to hold an amount of our cash (referred to as a holdback) equal to all or a portion of advance ticket sales that have been processed by that company, but for which we have not yet provided the air transportation. These holdback requirements can be implemented at the discretion of the credit card processing companies upon the occurrence of specific events, including material adverse changes in our financial condition or the triggering of a liquidity covenant. The imposition of holdback requirements would reduce our liquidity.

(h) Labor Contracts

As of December 31, 2025, we employed approximately 139,100 active full-time equivalent (FTE) employees, of which 33,100 were employed by our wholly-owned regional subsidiaries. Of the total active FTE employees, 86% are covered by CBAs with various labor unions and 15% are covered by CBAs that are currently amendable or that will become amendable within one year.

12. Supplemental Cash Flow Information

Supplemental disclosure of cash flow information and non-cash investing and financing activities are as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Non-cash investing and financing activities:			
ROU assets acquired through operating leases	$ 889	$ 637	$ 1,180
Operating leases converted to finance leases	269	293	5
Finance leases converted to operating leases	127	50	42
Property and equipment acquired through debt, finance leases and other	70	152	317
Supplemental information:			
Interest paid, net	1,696	1,933	2,180

13. Segment Disclosures

Operating segments are defined as components of an enterprise for which separate financial information is available and regularly reviewed by the chief operating decision maker (CODM) in deciding how to allocate resources and in assessing performance. Our Chief Executive Officer is considered to be our CODM. We are managed as a single operating segment that provides scheduled air transportation for passengers and cargo, and includes our loyalty program. Along with our extensive domestic network, we provide international service to Canada, Mexico, the Caribbean, Central and South America, Europe, Qatar, China, Japan, Korea, India, Australia and New Zealand. See Note 1(m) for our passenger revenue by geographic region. Managing the business activities on a consolidated basis allows us to benefit from an integrated revenue pricing and route network that includes American and our wholly-owned and third-party regional carriers that fly under capacity purchase agreements operating as American Eagle. The flight equipment of all these carriers is combined to form one fleet that is deployed through a single route scheduling system. Our tangible assets consist primarily of flight equipment, which are mobile across geographic markets and, therefore, have not been allocated by geographic region. The measure of segment assets is reported on the balance sheet as total consolidated assets.

Financial information and operational plans and forecasts are provided to and reviewed by our CODM at the consolidated level and are used to monitor forecast and budget versus actual results. Our CODM assesses performance and decides how to allocate resources based on net income which is reported on the statement of operations as consolidated net income. When making operational and resource allocation decisions, our CODM is indifferent to the results on a geographic region or on a mainline and regional carrier basis. The objective in making resource allocation decisions is to maximize consolidated financial results.

14. Share-based Compensation

In May 2023, the stockholders of AAG approved the 2023 Incentive Award Plan (the 2023 Plan). The 2023 Plan replaces and supersedes AAG's 2013 Incentive Award Plan (the 2013 Plan). No further awards will be granted under the 2013 Plan; however, the terms and conditions of the 2013 Plan will continue to govern any outstanding awards granted thereunder. The 2023 Plan provides that an award may be in the form of a stock option, including an incentive stock option and nonqualified stock option, stock appreciation right, restricted stock, restricted stock unit, performance bonus award, performance stock unit, other stock or cash-based award and dividend equivalent to eligible individuals.

The 2023 Plan authorizes the grant of awards for the issuance of 17.2 million shares less any shares granted under the 2013 Plan after March 22, 2023, the date the Board of Directors of AAG approved the 2023 Plan. Any shares underlying awards granted under the 2023 Plan or 2013 Plan that are forfeited, terminate or are settled in cash (in whole or in part) without the delivery of shares will again be available for grant under the 2023 Plan.

Share-based compensation expense for our equity awards, including awards settled in AAG common stock or cash, was $112 million, $130 million and $102 million for the years ended December 31, 2025, 2024 and 2023, respectively, and is included in salaries, wages and benefits on our consolidated statements of operations.

During 2025, 2024 and 2023, we withheld approximately 2.0 million, 1.6 million and 1.5 million shares of AAG common stock, respectively, and paid approximately $28 million, $27 million and $23 million, respectively, in satisfaction of certain tax withholding obligations associated with employee equity awards.

Restricted Stock Unit Awards (RSUs)

We have granted RSUs with service conditions (time vested primarily over three years) and performance conditions. The grant-date fair value of these RSUs is equal to the market price of the underlying shares of AAG common stock on the date of grant. For time vested awards, the expense is recognized on a straight-line basis over the vesting period for the entire award. For awards with performance conditions, the expense is recognized based on the expected achievement at each reporting period. Stock-settled RSUs are equity-classified as the vesting results in the issuance of shares of AAG common stock. Cash-settled restricted stock unit awards (CRSUs) are liability-classified as the vesting results in payment of cash by AAG.

Stock-settled RSU award activity for all plans for the years ended December 31, 2025, 2024 and 2023 is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
	(In thousands)	
Outstanding at December 31, 2022	10,263	$ 17.51
Granted	9,834	14.54
Vested and released	(5,161)	17.81
Forfeited	(701)	20.49
Outstanding at December 31, 2023	14,235	$ 15.18
Granted	2,580	15.76
Modified [1]	(2,809)	16.18
Vested and released	(4,833)	15.91
Forfeited	(827)	15.83
Outstanding at December 31, 2024	8,346	$ 15.59
Granted	5,073	14.11
Vested and released	(3,949)	15.27
Forfeited	(2,337)	15.33
Outstanding at December 31, 2025	7,133	$ 14.27

[1] In 2024, the settlement terms of 2.8 million stock-settled RSUs were modified from settlement in AAG common stock to settlement in cash. This change in award settlement method was the only modification to these awards, and the vesting, forfeiture and all other terms and conditions were unchanged. The modification resulted in a $20 million reclassification from additional paid-in capital to accrued salaries and wages on our consolidated balance sheet.

As of December 31, 2025, there was $51 million of unrecognized compensation cost related to stock-settled RSUs. These costs are expected to be recognized over a weighted average period of one year. The total fair value of stock-settled RSUs vested during the years ended December 31, 2025, 2024 and 2023 was $57 million, $69 million and $78 million, respectively.

CRSU award activity for all plans for the years ended December 31, 2025 and 2024 is as follows:

	Number of Shares	Weighted Average Fair Value
	(In thousands)	
Outstanding at December 31, 2023	37	$ 13.74
Granted	5,634	17.43
Modified [1]	2,809	16.18
Vested and released	(1,337)	14.75
Forfeited	(136)	17.42
Outstanding at December 31, 2024	7,007	$ 17.43
Granted	6,009	15.33
Vested and released	(2,606)	16.43
Forfeited	(547)	15.60
Outstanding at December 31, 2025	9,863	$ 15.33

[1] In 2024, the settlement terms of 2.8 million stock-settled RSUs were modified from settlement in AAG common stock to settlement in cash. See table above for further discussion.

As of December 31, 2025 and 2024, the liability related to CRSUs was $53 million and $39 million, respectively. The CRSU related liability is remeasured at fair value at each reporting date until all awards are vested. As of December 31, 2025, there was $98 million of unrecognized compensation cost related to CRSUs. These costs are expected to be recognized over a weighted average period of one year. The total cash paid for CRSUs vested during the years ended December 31, 2025 and 2024 was $37 million and $18 million, respectively.

For the year ended December 31, 2023, CRSU award activity was nominal.

15. Valuation and Qualifying Accounts (in millions)

	Balance at Beginning of Year	Additions Charged to Statement of Operations Accounts	Deductions and Other	Balance at End of Year
Allowance for obsolescence of spare parts				
Year ended December 31, 2025	$ 797	$ 129	$ (26)	$ 900
Year ended December 31, 2024	728	116	(47)	797
Year ended December 31, 2023	616	98	14	728

16. Subsequent Events

8.50% Senior Secured Notes

In the first quarter of 2026, American sent irrevocable notice of redemption to prepay the outstanding principal amount of its 8.50% Senior Secured Notes. American intends to fund these prepayments with proceeds from anticipated debt issuances and cash on hand.

AAdvantage Financing

On February 12, 2026, the AAdvantage Issuers entered into a fourth amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Fourth Amendment). As a result of the Fourth Amendment, the term loans outstanding under the 2025 AAdvantage Term Loan Facility were replaced with new term loans in the same principal amount. Pursuant to the Fourth Amendment, the 2025 AAdvantage Term Loan Facility bears interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 1.75% per annum or, at the AAdvantage Issuers' option, the SOFR rate for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 2.75% per annum. All other terms of the 2025 AAdvantage Term Loan Facility remain substantially similar.

ITEM 8B. CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA OF AMERICAN AIRLINES, INC.

Report of Independent Registered Public Accounting Firm

To the Stockholder and Board of Directors
American Airlines, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of American Airlines, Inc. and subsidiaries (American) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, cash flows, and stockholder's equity for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of American as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), American's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 18, 2026 expressed an unqualified opinion on the effectiveness of American's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of American's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to American in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Sufficiency of audit evidence over the realizability of tax net operating loss and other carryforwards

As discussed in Notes 1(i) and 5 to the consolidated financial statements, American had $3.6 billion of tax net operating loss and other carryforwards, which are recorded as deferred tax assets at December 31, 2025. Deferred tax assets are recognized related to tax net operating loss and other carryforwards that will reduce future taxable income. American provides a valuation allowance for deferred tax assets when it is more likely than not that some portion, or all of the deferred tax assets, will not be realized. In evaluating the need for a valuation allowance, management considers the weighting of all available positive and negative evidence.

We identified the evaluation of the sufficiency of audit evidence over the realizability of federal tax net operating loss and other carryforwards as a critical audit matter. Evaluating the sufficiency of audit evidence required subjective auditor judgment in order to assess the extent of procedures performed in assessing the realizability of the federal tax net operating loss and other carryforwards.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to American's deferred tax asset valuation allowance process, including controls related to the realizability of federal tax net operating loss and other carryforwards. We evaluated positive and negative evidence used in assessing whether the federal tax net operating loss and other carryforwards were more likely than not to be realized in the future. We evaluated the reasonableness of management's projections of future profitability considering historical profitability of American, and consistency with industry data. We involved tax professionals with specialized skills and knowledge, who assisted in evaluating the application of tax law. We assessed the sufficiency of audit evidence obtained over the realizability of the federal tax net operating loss and other carryforwards by evaluating the cumulative results of the audit procedures.

/s/ KPMG LLP

We have served as American's auditor since 2014.

Dallas, Texas
February 18, 2026

AMERICAN AIRLINES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions)

	Year Ended December 31,		
	2025	2024	2023
Operating revenues:			
Passenger	$ 49,643	$ 49,586	$ 48,512
Cargo	839	804	812
Other	4,144	3,814	3,460
Total operating revenues	54,626	54,204	52,784
Operating expenses:			
Aircraft fuel and related taxes	10,718	11,418	12,257
Salaries, wages and benefits	17,556	16,012	14,572
Regional expenses	5,406	5,009	4,619
Maintenance, materials and repairs	3,844	3,794	3,265
Other rent and landing fees	3,476	3,303	2,928
Aircraft rent	1,220	1,242	1,369
Selling expenses	1,997	1,812	1,799
Depreciation and amortization	1,884	1,919	1,927
Special items, net	159	610	971
Other	6,855	6,431	6,008
Total operating expenses	53,115	51,550	49,715
Operating income	1,511	2,654	3,069
Nonoperating income (expense):			
Interest income	949	1,058	1,078
Interest expense, net	(1,780)	(2,029)	(2,206)
Other income (expense), net	81	5	(359)
Total nonoperating expense, net	(750)	(966)	(1,487)
Income before income taxes	761	1,688	1,582
Income tax provision	197	426	394
Net income	$ 564	$ 1,262	$ 1,188

See accompanying notes to consolidated financial statements.

AMERICAN AIRLINES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

	Year Ended December 31,		
	2025	2024	2023
Net income	$ 564	$ 1,262	$ 1,188
Other comprehensive income (loss), net of tax:			
Pension, retiree medical and other postretirement benefits	170	320	(312)
Investments	—	2	3
Total other comprehensive income (loss), net of tax	170	322	(309)
Total comprehensive income	$ 734	$ 1,584	$ 879

See accompanying notes to consolidated financial statements.

AMERICAN AIRLINES, INC.
CONSOLIDATED BALANCE SHEETS
(In millions, except share and par value amounts)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash	$ 936	$ 795
Short-term investments	4,880	6,177
Restricted cash and short-term investments	735	732
Accounts receivable, net	2,041	1,977
Receivables from related parties, net	9,896	8,187
Aircraft fuel, spare parts and supplies, net	2,596	2,476
Prepaid expenses and other	645	675
Total current assets	21,729	21,019
Operating property and equipment		
Flight equipment	46,226	43,158
Ground property and equipment	9,954	9,709
Equipment purchase deposits	656	1,012
Total property and equipment, at cost	56,836	53,879
Less accumulated depreciation and amortization	(24,621)	(23,060)
Total property and equipment, net	32,215	30,819
Operating lease right-of-use assets	7,038	7,274
Other assets		
Goodwill	4,091	4,091
Intangibles, net of accumulated amortization of $848 and $841, respectively	2,066	2,044
Deferred tax asset	1,832	2,068
Other assets	1,276	1,440
Total other assets	9,265	9,643
Total assets	$ 70,247	$ 68,755
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities		
Current maturities of long-term debt and finance leases	$ 3,750	$ 4,326
Accounts payable	2,717	2,372
Accrued salaries and wages	1,957	1,995
Air traffic liability	7,158	6,759
Loyalty program liability	3,725	3,556
Operating lease liabilities	1,048	1,082
Fuel financing	914	74
Other accrued liabilities	2,768	2,738
Total current liabilities	24,037	22,902
Noncurrent liabilities		
Long-term debt and finance leases, net of current maturities	21,509	21,410
Pension and postretirement benefits	1,566	2,115
Loyalty program liability	6,839	6,498
Operating lease liabilities	5,860	5,926
Other liabilities	1,408	1,670
Total noncurrent liabilities	37,182	37,619
Commitments and contingencies (Note 10)		
Stockholder's equity		
Common stock, $1.00 par value; 1,000 shares authorized, issued and outstanding	—	—
Additional paid-in capital	17,468	17,408
Accumulated other comprehensive loss	(4,507)	(4,677)
Retained deficit	(3,933)	(4,497)
Total stockholder's equity	9,028	8,234
Total liabilities and stockholder's equity	$ 70,247	$ 68,755

See accompanying notes to consolidated financial statements.

AMERICAN AIRLINES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income	$ 564	$ 1,262	$ 1,188
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,177	2,198	2,198
Debt extinguishment costs	20	9	267
Special items, net non-cash	(17)	(1)	41
Pension and postretirement	(31)	(82)	(14)
Deferred income tax provision	197	426	394
Share-based compensation, non-cash	55	89	97
Other, net	(91)	(260)	(216)
Changes in operating assets and liabilities:			
Decrease (increase) in accounts receivable	(69)	33	104
Increase in other assets	(144)	(287)	(2)
Increase in accounts payable	274	284	147
Increase (decrease) in air traffic liability	399	559	(545)
Increase in receivables from related parties, net	(1,701)	(1,099)	(482)
Increase in loyalty program liability	510	727	182
Contributions to pension plans	(225)	(295)	(71)
Increase (decrease) in other liabilities	12	(154)	418
Net cash provided by operating activities	1,930	3,409	3,706
Cash flows from investing activities:			
Capital expenditures and aircraft purchase deposits	(3,716)	(2,624)	(2,542)
Proceeds from sale-leaseback transactions and sale of property and equipment	343	654	230
Sales of short-term investments	6,189	8,013	8,861
Purchases of short-term investments	(4,905)	(7,194)	(7,324)
Decrease in restricted short-term investments	3	177	51
Other investing activities	254	65	275
Net cash used in investing activities	(1,832)	(909)	(449)
Cash flows from financing activities:			
Payments on long-term debt and finance leases	(4,503)	(3,973)	(7,697)
Proceeds from issuance of long-term debt	3,773	1,670	4,822
Net proceeds from fuel financing	840	74	—
Other financing activities	(63)	(48)	(287)
Net cash provided by (used in) financing activities	47	(2,277)	(3,162)
Net increase in cash and restricted cash	145	223	95
Cash and restricted cash at beginning of year	893	670	575
Cash and restricted cash at end of year [(a)]	$ 1,038	$ 893	$ 670

[(a)] The following table provides a reconciliation of cash and restricted cash to amounts reported within the consolidated balance sheets:

Cash	$ 936	$ 795	$ 567
Restricted cash included in restricted cash and short-term investments	102	98	103
Total cash and restricted cash	$ 1,038	$ 893	$ 670

See accompanying notes to consolidated financial statements.

AMERICAN AIRLINES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY
(In millions)

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Deficit	Total
Balance at December 31, 2022	$ —	$ 17,230	$ (4,690)	$ (6,947)	$ 5,593
Net income	—	—	—	1,188	1,188
Other comprehensive loss, net	—	—	(309)	—	(309)
Share-based compensation expense	—	97	—	—	97
Intercompany equity transfer	—	8	—	—	8
Balance at December 31, 2023	—	17,335	(4,999)	(5,759)	6,577
Net income	—	—	—	1,262	1,262
Other comprehensive income, net	—	—	322	—	322
Share-based compensation expense	—	89	—	—	89
Modification of share-based awards	—	(20)	—	—	(20)
Intercompany equity transfer	—	4	—	—	4
Balance at December 31, 2024	—	17,408	(4,677)	(4,497)	8,234
Net income	—	—	—	564	564
Other comprehensive income, net	—	—	170	—	170
Share-based compensation expense	—	58	—	—	58
Intercompany equity transfer	—	2	—	—	2
Balance at December 31, 2025	$ —	$ 17,468	$ (4,507)	$ (3,933)	$ 9,028

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.

1. Basis of Presentation and Summary of Significant Accounting Policies

(a) Basis of Presentation

American Airlines, Inc. (American) is a Delaware corporation whose primary business activity is the operation of a major network air carrier, providing scheduled air transportation for passengers and cargo. American is the principal wholly-owned subsidiary of American Airlines Group Inc. (AAG), which owns all of American's outstanding common stock, par value $1.00 per share. All significant intercompany transactions have been eliminated.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States (GAAP) requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. The most significant areas of judgment relate to passenger revenue recognition, the loyalty program, deferred tax assets, as well as pension and retiree medical and other postretirement benefits.

(b) Recent Accounting Pronouncements

Accounting Standards Update (ASU) 2024-03: Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-04) Disaggregation of Income Statement Expenses

This standard enhances transparency in reporting by requiring disaggregation of certain costs and expenses in the notes to financial statements. This update is effective for annual periods beginning after December 15, 2026 and interim periods within annual periods beginning after December 15, 2027, and early adoption is permitted. American is currently evaluating how the adoption of this standard may impact its disclosures.

ASU 2025-06: Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) Targeted Improvements to the Accounting for Internal-Use Software

This standard modernizes the accounting for costs related to internal-use software by removing references to project stages and by clarifying the thresholds entities apply to begin capitalizing costs. The amendments in this update are effective for interim and annual periods beginning after December 15, 2027, and early adoption is permitted. American is currently evaluating how the adoption of this standard may impact its consolidated financial statements.

(c) Investments

Short-term investments primarily include debt securities and are classified as available-for-sale and stated at fair value. Realized gains and losses are recorded as part of interest income within total nonoperating expense, net on American's consolidated statements of operations. Unrealized gains and losses are recorded as a component of accumulated other comprehensive loss on American's consolidated balance sheets. For investments in an unrealized loss position, American determines whether a credit loss exists by considering information about the collectability of the instrument, current market conditions and reasonable and supportable forecasts of economic conditions. There have been no credit losses.

Equity investments are accounted for under the equity method if American is able to exercise significant influence over an investee. Equity investments for which American does not have significant influence are recorded at fair value or at cost, if fair value is not readily determinable, with adjustments for observable changes in price or impairments (referred to as the measurement alternative). American's equity investments are reflected in other assets on its consolidated balance sheets. American's share of equity method investees' financial results and changes in fair value are recorded in nonoperating other income (expense), net on the consolidated statements of operations. See Note 7 for additional information related to American's equity investments.

(d) Restricted Cash and Short-term Investments

American has restricted cash and short-term investments related primarily to collateral held to support workers' compensation obligations, collateral associated with the payment of interest for the AAdvantage Financing and money market funds to be used to finance the cost of improvements at the overhaul and maintenance base at Tulsa International Airport (Tulsa Maintenance Base). See Note 3 and Note 10 for further information on the AAdvantage Financing and Tulsa Maintenance Base, respectively.

(e) Accounts Receivable, Net

Accounts receivable primarily consist of amounts due from credit card processing companies for tickets sold to individual passengers, amounts due from airline and non-airline business partners, including American's co-branded credit card partner and cargo customers. Receivables from ticket sales are short-term, mostly settled within seven days after sale. Receivables from American's business partners are typically settled within 30 days. All accounts receivable are reported net of an allowance for credit losses, which was not material as of December 31, 2025 and 2024. American considers past and future financial and qualitative factors, including aging, payment history and other credit monitoring indicators, when establishing the allowance for credit losses.

(f) Aircraft Fuel, Spare Parts and Supplies, Net

Aircraft fuel is recorded on a first-in, first-out basis. Spare parts and supplies are recorded at average costs less an allowance for obsolescence, which is recognized over the weighted average remaining useful life of the related fleet. American also provides an allowance for spare parts and supplies identified as excess or obsolete to reduce the carrying cost to the lower of cost or net realizable value. Aircraft fuel, spare parts and supplies are expensed when used.

(g) Operating Property and Equipment

Operating property and equipment is recorded at cost and depreciated or amortized to residual values over the asset's estimated useful life or the lease term, whichever is less, using the straight-line method. Costs of major improvements that enhance the usefulness of the asset are capitalized and depreciated or amortized over the estimated useful life of the asset or the lease term, whichever is less. Effective January 1, 2025, American adjusted the estimated useful lives of its mainline and regional aircraft, engines and related rotable parts by three years to align with the extended lives of aircraft included in American's long-term fleet plan. In conjunction with this change, American also reduced the salvage values for most of these assets from 10% to 5% of original cost to more closely reflect the estimated value at the end of the useful life. Accordingly, the estimated useful lives for the principal property and equipment classification are as follows:

Principal Property and Equipment Classification	Estimated Useful Life
Aircraft, engines and related rotable parts	20 – 33 years
Buildings and improvements	5 – 30 years
Furniture, fixtures and other equipment	3 – 15 years
Capitalized software	5 – 10 years

The effect of these changes did not have a material impact to depreciation and amortization expense in the consolidated statement of operations for the year ended December 31, 2025. Total mainline and regional depreciation and amortization expense was $2.2 billion for each of the years ended December 31, 2025, 2024 and 2023.

American assesses impairment of operating property and equipment when events and circumstances indicate that the assets may be impaired. An impairment of an asset or group of assets exists only when the sum of the estimated undiscounted cash flows expected to be generated directly by the assets are less than the carrying value of the assets. American groups assets principally by fleet-type when estimating future cash flows, which is generally the lowest level for which identifiable cash flows exist. Estimates of future cash flows are based on historical results adjusted to reflect management's best estimate of future market and operating conditions, including American's current fleet plan. If such assets are impaired, the impairment charge recognized is the amount by which the carrying value of the assets exceed their fair value. Fair value reflects management's best estimate including inputs from published pricing guides and bids from third parties as well as contracted sales agreements when applicable.

(h) Leases

American determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, current operating lease liabilities and noncurrent operating lease liabilities on American's consolidated balance sheets. Finance leases are included in property and equipment, current maturities of long-term debt and finance leases and long-term debt and finance leases, net of current maturities, on American's consolidated balance sheets. See Note 4 for further information on American's operating and finance leases.

ROU assets represent American's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

American uses its estimated incremental borrowing rate, which is derived from information available at the lease commencement date, in determining the present value of lease payments. American gives consideration to its recent debt issuances as well as publicly available data for instruments with similar characteristics when calculating its incremental borrowing rates.

American's lease term includes options to extend the lease when it is reasonably certain that it will exercise that option. Leases with a term of 12 months or less are not recorded on its consolidated balance sheets.

Under certain of American's capacity purchase agreements with third-party regional carriers, American does not own the underlying aircraft. However, since American controls the marketing, scheduling, ticketing, pricing and seat inventories of these aircraft and therefore control the asset, the aircraft is deemed to be leased for accounting purposes. For these capacity purchase agreements, American accounts for the lease and non-lease components separately. The lease component consists of the aircraft and the non-lease components consist of services, such as the crew and maintenance. Where applicable, American allocates the consideration in the capacity purchase agreements to the lease and non-lease components using their estimated relative standalone prices. See Note 10(b) for additional information on its capacity purchase agreements.

For real estate, American accounts for the lease and non-lease components as a single lease component.

(i) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are recorded net as noncurrent on American's consolidated balance sheets.

American provides a valuation allowance for its deferred tax assets, which include its net operating losses (NOLs) and other carryforwards, when it is more likely than not that some portion, or all of its deferred tax assets, will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. American considers all available positive and negative evidence and makes certain assumptions in evaluating the realizability of its deferred tax assets. Many factors are considered that impact American's assessment of future profitability, including conditions which are beyond its control, such as the health of the economy, the availability and price volatility of aircraft fuel and travel demand. American has determined that positive factors outweigh negative factors in the determination of the realizability of its deferred tax assets.

(j) Goodwill

Goodwill represents the purchase price in excess of the fair value of the net assets acquired and liabilities assumed in connection with the 2013 merger with US Airways Group, Inc. (US Airways Group). American has one reporting unit. American assesses goodwill for impairment annually or more frequently if events or circumstances indicate that the fair value of goodwill may be lower than the carrying value. American's annual assessment date is October 1.

Goodwill is assessed for impairment by initially performing a qualitative assessment. If American determines that it is more likely than not that its goodwill may be impaired, it uses a quantitative approach to assess the asset's fair value and the amount of the impairment, if any. Based upon American's annual assessment, there was no goodwill impairment in 2025. The carrying value of American's goodwill on its consolidated balance sheets was $4.1 billion as of December 31, 2025 and 2024.

(k) Other Intangibles, Net

Intangible assets consist of certain domestic airport slots and gate leasehold rights, international slots and route authorities, commercial agreements, marketing agreements, customer relationships and tradenames.

Definite-Lived Intangible Assets

Definite-lived intangible assets are originally recorded at their acquired fair values, subsequently amortized over their respective estimated useful lives and are assessed for impairment whenever events and circumstances indicate that the assets may be impaired. Certain domestic airport slots and airport gate leasehold rights are amortized on a straight-line basis over 25 years. Certain marketing agreements were identified as intangible assets subject to amortization and are amortized on a straight-line basis over approximately 30 years.

American had $124 million and $101 million of definite-lived intangible assets, net of accumulated amortization on its consolidated balance sheets as of December 31, 2025 and 2024, respectively. American expects to record amortization expense related to these assets of approximately $7 million for each of the years in 2026 through 2030, and $88 million of amortization expense in 2031 and thereafter until fully amortized.

Indefinite-Lived Intangible Assets

Indefinite-lived intangible assets include certain domestic airport slots, international slots and route authorities and American's commercial agreement with GOL Linhas Aéreas Inteligentes S.A. (GOL). American assesses indefinite-lived intangible assets for impairment annually or more frequently if events or circumstances indicate that the fair values of indefinite-lived intangible assets may be lower than their carrying values. American's annual assessment date is October 1.

Indefinite-lived intangible assets are assessed for impairment by initially performing a qualitative assessment. If American determines that it is more likely than not that its indefinite-lived intangible assets may be impaired, American uses a quantitative approach to assess the asset's fair value and the amount of the impairment, if any. Based upon American's annual assessment, there were no indefinite-lived intangible asset impairments in 2025. American had $1.9 billion of indefinite-lived intangible assets on its consolidated balance sheets as of December 31, 2025 and 2024.

(l) Fuel Financing

In December 2024, American entered into a fuel financing facility with a bank pursuant to which the bank pays certain fuel invoices on American's behalf. The agreement contains a maximum allowable outstanding principal balance at any time of $1.0 billion and is required to be repaid at least quarterly. The fuel financing facility bears interest at a base rate equal to one-month Secured Overnight Financing Rate (SOFR), plus a margin of 3.75%. American's obligations to the counterparty are secured on a second-priority basis by certain intellectual property of American, including the "American Airlines" trademark and the "aa.com" domain name in the United States and certain foreign jurisdictions, as provided in, and subject to the covenants and conditions of, the Second Lien Brand Collateral Security Agreement. Either American or the bank may terminate this agreement at any time and with immediate effect upon sixty days' prior written notice to the other party. As of December 31, 2025 and 2024, American had $914 million and $74 million, respectively, in fuel financing obligations included on American's consolidated balance sheets.

The following is a rollforward of American's outstanding fuel financing obligation during the years ended December 31, 2025 and 2024 (in millions):

	2025	2024
Balance at beginning of year	$ 74	$ —
Proceeds	1,217	74
Payments	(377)	—
Balance at end of year	$ 914	$ 74

American includes payments to designated fuel suppliers as an operating activity in the consolidated statement of cash flows. Proceeds and payments related to fuel financing transactions are presented net as a financing activity in the consolidated statement of cash flows.

(m) Revenue Recognition

Revenue

The following are the significant categories comprising American's operating revenues (in millions):

	Year Ended December 31,		
	2025	2024	2023
Passenger revenue:			
Passenger travel	$ 45,607	$ 45,743	$ 44,914
Loyalty revenue - travel [1]	4,036	3,843	3,598
Total passenger revenue	49,643	49,586	48,512
Cargo	839	804	812
Other:			
Loyalty revenue - marketing services	3,511	3,257	2,929
Other revenue	633	557	531
Total other revenue	4,144	3,814	3,460
Total operating revenues	$ 54,626	$ 54,204	$ 52,784

[1] Loyalty revenue included in passenger revenue is principally comprised of mileage credit redemptions, which were earned from travel or co-branded credit card and other partners. See "*Loyalty Revenue*" below for further discussion on these mileage credits.

The following is American's total passenger revenue by geographic region (in millions):

	Year Ended December 31,		
	2025	2024	2023
Domestic	$ 35,201	$ 35,336	$ 34,592
Latin America	6,444	6,560	6,719
Atlantic	6,583	6,445	6,205
Pacific	1,415	1,245	996
Total passenger revenue	$ 49,643	$ 49,586	$ 48,512

American attributes passenger revenue by geographic region based upon the origin and destination of each flight segment.

Passenger Revenue

American recognizes all revenues generated from transportation on American and its regional flights operated under the brand name American Eagle, including associated baggage fees and other inflight services, as passenger revenue when transportation is provided. Ticket and other related sales for transportation that has not yet been provided are initially deferred and recorded as air traffic liability on American's consolidated balance sheets. The air traffic liability principally represents tickets sold for future travel on American, American Eagle and partner airlines.

The majority of tickets sold are nonrefundable. A small percentage of tickets, some of which are partially used tickets, expire unused. The estimate for tickets expected to expire unused is generally based on an analysis of American's historical data and other current applicable factors such as policy changes. American has consistently applied this accounting method to estimate and recognize revenue from unused tickets at the date of travel. This estimate is periodically evaluated based on subsequent activity to validate its accuracy. Any adjustments resulting from periodic evaluations of the estimated air traffic liability are included in passenger revenue during the period in which the evaluations are completed.

Various taxes and fees assessed on the sale of tickets to end customers are collected by American as an agent and remitted to taxing authorities. These taxes and fees have been presented on a net basis in the accompanying consolidated statements of operations and recorded as a liability until remitted to the appropriate taxing authority.

Loyalty Revenue

American currently operates the loyalty program, AAdvantage®. This program awards mileage credits to passengers who fly on American, American Eagle, any **one**world airline or other partner airlines, or by using the services of other program participants, such as American's co-branded credit cards, and certain hotels and car rental companies. Mileage credits can be redeemed for travel on American, American Eagle and other participating partner airlines, as well as for other non-air travel awards such as car rentals, hotel stays, cruises and retail goods from program partners. For mileage credits earned by AAdvantage program members, American applies the deferred revenue method.

Mileage credits earned through travel

For mileage credits earned through travel, American applies a relative selling price approach whereby the total amount collected from each passenger ticket sale is allocated between the air transportation and the mileage credits earned. The portion of each passenger ticket sale attributable to mileage credits earned is initially deferred and then recognized in passenger revenue when mileage credits are redeemed and transportation is provided. The estimated selling price of mileage credits is determined using an equivalent ticket value approach, which uses historical data, including award redemption patterns by geographic region and class of service, as well as similar cash fares as those used to settle award redemptions. The estimated selling price of mileage credits is adjusted for an estimate of mileage credits that will not be redeemed using a statistical model based on historical redemption patterns to develop an estimate of the likelihood of future redemption.

Mileage credits sold to co-branded credit card and other partners

American sells mileage credits to participating airline partners and non-airline business partners, including American's co-branded credit card partner, under contracts with remaining terms generally from one to 10 years as of December 31, 2025. Consideration received from the sale of mileage credits is predominantly variable and payment terms typically are within 30 days subsequent to the month of mileage sale. Sales of mileage credits to co-branded credit card and non-airline business partners are comprised of two revenue elements: a transportation component and a marketing component. American allocates the consideration received from these sales of mileage credits based on the relative selling price of each product or service delivered.

American's most significant mileage credit partner agreement is its co-branded credit card agreement with Citibank N.A. (Citi). In December 2024, American announced a 10-year agreement with Citi and Citi became the exclusive issuer of the AAdvantage co-branded credit card portfolio in the U.S. starting in 2026.

The transportation component represents the estimated selling price of future travel awards and is determined using the same equivalent ticket value approach described above. The portion of each mileage credit sold attributable to transportation is initially deferred and then recognized in passenger revenue when mileage credits are redeemed and transportation is provided.

The marketing component includes the use of intellectual property, including the American brand and access to loyalty program member lists, which is the predominant element in these agreements, as well as advertising and other travel-related benefits. American recognizes the marketing component in other revenue in the period of the mileage credit sale following the sales-based royalty method.

For the portion of American's outstanding mileage credits that it estimates will not be redeemed, American recognizes the associated value proportionally as the remaining mileage credits are redeemed. American's estimates use a statistical model based on historical redemption patterns to develop an estimate of the likelihood of future redemption.

Cargo Revenue

Cargo revenue is recognized when American provides the transportation.

Other Revenue

Other revenue includes revenue associated with American's loyalty program, which is comprised principally of the marketing component of mileage credit sales to co-branded credit card and other partners and other marketing related payments. The accounting and recognition for the loyalty program marketing services are discussed above in "*Loyalty Revenue*." The remaining amounts included within other revenue relate to airport clubs, other commission revenue, advertising and vacation-related services.

Contract Balances

American's significant contract liabilities are comprised of (1) outstanding loyalty program mileage credits that may be redeemed for future air travel, non-air travel and other awards, reported as loyalty program liability on American's consolidated balance sheets and (2) ticket sales for transportation that has not yet been provided, reported as air traffic liability on American's consolidated balance sheets.

	December 31,	
	2025	2024
	(In millions)	
Loyalty program liability	$ 10,564	$ 10,054
Air traffic liability	7,158	6,759
Total	$ 17,722	$ 16,813

The balance of the loyalty program liability fluctuates based on seasonal patterns, which impact the volume of mileage credits issued through travel or sold to co-branded credit card and other partners (deferral of revenue) and mileage credits redeemed (recognition of revenue). Changes in loyalty program liability are as follows (in millions):

Balance at December 31, 2024	$ 10,054
Deferral of revenue	4,445
Recognition of revenue [1]	(3,935)
Balance at December 31, 2025 [2]	$ 10,564

[1] Principally relates to revenue recognized from the redemption of mileage credits for air travel, non-air travel and other awards. Mileage credits are combined in one homogenous pool and are not separately identifiable. As such, the revenue is comprised of mileage credits that were part of the loyalty program deferred revenue balance at the beginning of the period, as well as mileage credits that were issued during the period.

[2] Mileage credits can be redeemed at any time and generally do not expire as long as the AAdvantage member has any type of qualifying activity at least every 24 months or if the AAdvantage member is the primary holder of a co-branded credit card. As of December 31, 2025, American's current loyalty program liability was $3.7 billion and represents American's current estimate of revenue expected to be recognized in the next 12 months based on historical trends, with the balance reflected in long-term loyalty program liability expected to be recognized as revenue in periods thereafter.

Additionally, as of December 31, 2025 and 2024, American's loyalty program liability includes a one-time cash payment related to the new co-branded credit card agreement announced in December 2024, which will be amortized over the life of the new agreement beginning in 2026.

The air traffic liability principally represents tickets sold for future travel on American, American Eagle and partner airlines. The balance in American's air traffic liability also fluctuates with seasonal travel patterns. The contract duration of passenger tickets is generally one year. Accordingly, any revenue associated with tickets sold for future travel will be recognized within 12 months. For 2025, $5.1 billion of revenue was recognized in passenger revenue that was included in American's air traffic liability at December 31, 2024.

(n) Maintenance, Materials and Repairs

Maintenance and repair costs for owned and leased flight equipment are charged to operating expense as incurred, except costs incurred for maintenance and repair under certain power-by-the-hour maintenance agreements, which are charged to operating expense based on contractual terms when an obligation exists.

(o) Selling Expenses

Selling expenses include credit card fees, commissions, third party distribution channel fees and advertising. Selling expenses associated with passenger revenue are expensed when the transportation or service is provided. Advertising costs are expensed as incurred. Advertising expense was $200 million, $143 million and $114 million for the years ended December 31, 2025, 2024 and 2023, respectively.

(p) Share-based Compensation

American accounts for its share-based compensation expense based on the fair value of the equity award at the time of grant, which is recognized ratably over the vesting period of the award. Certain awards have performance conditions that must be achieved prior to vesting and are expensed based on the expected achievement at each reporting period. The majority of American's equity awards are time vested restricted stock units. For equity-classified awards, the fair value of such awards is based on the market price of the underlying shares of AAG common stock on the date of grant and is not subsequently remeasured unless modified. For liability-classified awards, the fair value of such awards is remeasured at the end of each reporting period until settled. See Note 13 for further discussion of share-based compensation.

(q) Foreign Currency Gains and Losses

Foreign currency gains and losses are recorded as part of other income (expense), net within total nonoperating expense, net on American's consolidated statements of operations. For the years ended December 31, 2025, 2024 and 2023, foreign currency losses were $15 million, $47 million and $30 million, respectively.

(r) Other Operating Expenses

Other operating expenses includes costs associated with onboard food and catering, crew travel, ground and cargo handling, passenger accommodation, international navigation fees, aircraft cleaning, airport lounge operations and certain general and administrative expenses.

(s) Regional Expenses

American's regional carriers provide scheduled air transportation under the brand name "American Eagle." The American Eagle carriers include AAG's wholly-owned regional carriers as well as third-party regional carriers. American's regional carrier arrangements are principally in the form of capacity purchase agreements with its third-party regional partners and similar arrangements with AAG's wholly-owned regional affiliates. Expenses, excluding fuel expense, associated with American Eagle operations are classified as regional expenses on the consolidated statements of operations.

Regional expenses for the years ended December 31, 2025, 2024 and 2023 include $293 million, $279 million and $271 million of depreciation and amortization, respectively. Regional expenses also include $9 million of aircraft rent for each of the years ended December 31, 2025 and 2024 and $7 million for the year ended December 31, 2023.

In 2025, 2024 and 2023, American recognized $658 million, $612 million and $636 million, respectively, of expense under its capacity purchase agreement with Republic Airways Inc. (Republic). American holds a 20.8% equity interest in Republic Airways Holdings Inc. (Republic Holdings), the parent company of Republic.

2. Special Items, Net

Special items, net on American's consolidated statements of operations consisted of the following (in millions):

	Year Ended December 31,		
	2025	2024	2023
Litigation reserve adjustments	$ 77	$ —	$ —
Labor contract expenses [1]	31	605	989
Severance expenses	44	13	23
A330 fleet-related adjustments [2]	—	(42)	—
Other operating special items, net	7	34	(41)
Mainline operating special items, net	159	610	971
Regional operating special items, net [3]	3	33	—
Operating special items, net	162	643	971
Mark-to-market adjustments on equity investments, net [4]	(40)	8	82
Debt refinancing and extinguishment [5]	22	16	280
Other nonoperating special items, net	18	—	—
Nonoperating special items, net	—	24	362

[1] Labor contract expenses for 2025 included a one-time charge resulting from adjustments to vacation accruals due to pay rate increases effective January 1, 2025, following the ratification of the contract extension in the fourth quarter of 2024 with American's mainline maintenance and fleet service team members.

Labor contract expenses for 2024 included one-time charges resulting from the ratifications of new collective bargaining agreements (CBAs) with American's mainline flight attendants and passenger service team members, including one-time payments and adjustments to vacation accruals resulting from pay rate increases.

Labor contract expenses for 2023 included one-time charges resulting from the ratification of a new CBA with American's mainline pilots, including a one-time payment of $754 million as well as adjustments to other benefit-related items of $235 million.

[2] In 2024, American entered into a sales agreement for certain Airbus A330 aircraft, resulting in a $42 million gain. These aircraft were previously retired in 2020 as a result of the decline in demand for air travel due to the COVID-19 pandemic.

[3] Regional operating special items, net for 2024 included a $33 million non-cash write down of regional aircraft resulting from the decision to permanently park 43 Embraer ERJ145 aircraft.

[4] Mark-to-market adjustments on equity investments, net included net unrealized gains and losses associated with certain equity investments. See Note 7 for further information related to American's equity investments.

[5] Debt refinancing and extinguishment costs in 2023 primarily included cash charges for premiums paid in connection with the early repayment of debt.

3. Debt

Debt included on American's consolidated balance sheets consisted of (in millions):

	December 31, 2025	December 31, 2024
Secured		
2013 Term Loan Facility, variable interest rate of 6.00%, installments until due in February 2028 [a]	$ 970	$ 980
2014 Term Loan Facility, variable interest rate of 5.69%, installments until due in January 2027 [a]	1,159	1,171
2023 Term Loan Facility, variable interest rate of 6.26%, installments until due in June 2029 [a]	1,078	1,089
10.75% senior secured IP notes [b]	—	781
10.75% senior secured LGA/DCA notes [b]	—	156
7.25% senior secured notes, interest only payments until due in February 2028 [b]	750	750
8.50% senior secured notes, interest only payments until due in May 2029 [b]	1,000	1,000
5.50% senior secured notes, installments until due in April 2026 [c]	583	1,750
5.75% senior secured notes, installments beginning in July 2026 until due in April 2029 [c]	3,000	3,000
2021 AAdvantage Term Loan Facility, variable interest rate of 6.13%, installments until due in April 2028 [c]	2,264	2,450
2025 AAdvantage Term Loan Facility, variable interest rate of 7.13%, installments until due in May 2032 [c]	995	—
Enhanced equipment trust certificates (EETCs), fixed interest rates ranging from 2.88% to 7.15%, averaging 3.95%, maturing from 2026 to 2038 [d]	6,912	7,271
Equipment loans and other notes payable, fixed and variable interest rates ranging from 2.55% to 6.56%, averaging 5.57%, maturing from 2026 to 2037 [e]	4,719	4,094
Special facility revenue bonds, fixed interest rates ranging from 2.25% to 5.38%, maturing from 2026 to 2036	789	880
	24,219	25,372
Unsecured		
Senior short-term term loan facility, variable interest rate of 6.11%, interest only payments until due in January 2026 [f]	629	—
Total	24,848	25,372
Less: Total unamortized debt discount, premium and issuance costs	313	300
Less: Current maturities	3,641	4,196
Long-term debt, net of current maturities	$ 20,894	$ 20,876

As of December 31, 2025, the maximum availability under American's revolving credit and other facilities is as follows (in millions):

2013 Revolving Facility [1]	$ 519
2014 Revolving Facility [1]	1,557
2023 Revolving Facility [1]	924
Other facilities [2]	397
Total	$ 3,397

[1] On April 21, 2025, the aggregate revolving commitments under the 2013, 2014 and 2023 Revolving Facilities were increased from approximately $2.9 billion to $3.0 billion upon the upsize of commitments by certain existing lenders. No other terms were changed and there are no borrowings outstanding under the facilities.

(2) Includes a revolving credit facility that provides for borrowing capacity of up to $350 million, maturing in March 2027 with an option to extend for an additional year. Additionally, American currently has $47 million of available borrowing base under a cargo receivables facility that is scheduled to expire in December 2026. There are no amounts drawn under these facilities.

Secured financings, including revolving credit and other facilities, are collateralized by assets, consisting primarily of aircraft, engines, simulators, airport gate leasehold rights, route authorities, airport slots, certain receivables, certain intellectual property and certain loyalty program assets.

At December 31, 2025, the maturities of long-term debt are as follows (in millions):

2026	$	3,641
2027		4,455
2028		7,324
2029		4,045
2030		730
2031 and thereafter		4,653
Total	$	24,848

(a) 2013, 2014 and 2023 Credit Facilities

2013 Credit Facilities

The Amended and Restated Credit and Guaranty Agreement dated as of May 21, 2015, as amended (the 2013 Credit Agreement), includes a revolving credit facility (the 2013 Revolving Facility) and term loan facility (the 2013 Term Loan Facility), collectively referred to as the 2013 Credit Facilities. The 2013 Term Loan Facility matures in February 2028 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 1.25% per annum or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 2.25% per annum. SOFR borrowings under the 2013 Term Loan Facility are not subject to a credit spread adjustment. As of December 31, 2025, the margin elected was 2.25% per annum.

The 2013 Revolving Facility matures in June 2029 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 2.00%, 2.25% or 2.50%, depending on AAG's public corporate credit rating, or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 3.00%, 3.25% or 3.50%, depending on AAG's public corporate credit rating. SOFR borrowings under the 2013 Revolving Facility are not subject to a credit spread adjustment. The 2013 Revolving Facility has aggregate commitments of $519 million, with the ability to issue letters of credit up to an aggregate amount of $100 million. As of December 31, 2025, there were no borrowings or letters of credit outstanding under the 2013 Revolving Facility.

2014 Credit Facilities

The Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, as amended (the 2014 Credit Agreement), includes a revolving credit facility (the 2014 Revolving Facility) and term loan facility (the 2014 Term Loan Facility), collectively referred to as the 2014 Credit Facilities. The 2014 Term Loan Facility matures in January 2027 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 0.75% or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American, plus the SOFR adjustment applicable to such interest period (with such SOFR rate plus SOFR adjustment being subject to a floor of 0.00%) plus an applicable margin of 1.75%. As of December 31, 2025, the margin elected was 1.75% per annum.

The 2014 Revolving Facility matures in June 2029 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 2.00%, 2.25% or 2.50%, depending on AAG's public corporate credit rating, or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 3.00%, 3.25% or 3.50%, depending on AAG's public corporate credit rating. SOFR borrowings under the 2014 Revolving Facility are not subject to a credit spread adjustment. The 2014 Revolving Facility has aggregate commitments of $1.6 billion, with the ability to issue letters of credit up to an aggregate

amount of $200 million. As of December 31, 2025, there were no borrowings or letters of credit outstanding under the 2014 Revolving Facility.

2023 Credit Facilities

The Credit and Guaranty Agreement, dated as of December 4, 2023, as amended (the 2023 Credit Agreement), includes a revolving credit facility (the 2023 Revolving Facility) and term loan facility (the 2023 Term Loan Facility), collectively referred to as the 2023 Credit Facilities. The 2023 Term Loan Facility matures in June 2029 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 1.25% per annum or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 2.25% per annum. SOFR borrowings under the 2023 Term Loan Facility are not subject to a credit spread adjustment. As of December 31, 2025, the margin elected was 2.25% per annum.

The 2023 Revolving Facility matures in June 2029 and bears interest at a base rate (subject to a floor of 1.00%) plus an applicable margin of 2.00%, 2.25% or 2.50%, depending on AAG's public corporate credit rating, or, at American's option, the SOFR rate for a tenor of one, three or six months, depending on the interest period selected by American (subject to a floor of 0.00%), plus an applicable margin of 3.00%, 3.25% or 3.50%, depending on AAG's public corporate credit rating. SOFR borrowings under the 2023 Revolving Facility are not subject to a credit spread adjustment. The 2023 Revolving Facility has aggregate commitments of $924 million. As of December 31, 2025, there were no borrowings outstanding under the 2023 Revolving Facility.

Other Terms of the 2013, 2014 and 2023 Credit Facilities

The term loans under the 2013, 2014 and 2023 Credit Facilities (collectively referred to as the Credit Facilities) are repayable in annual installments, in an amount equal to 1.00% of the aggregate principal amount issued, with any unpaid balance due on the respective maturity dates. Voluntary prepayments may be made by American at any time.

The 2013, 2014 and 2023 Revolving Facilities provide that American may from time to time borrow, repay and reborrow loans thereunder. The 2013, 2014 and 2023 Revolving Facilities are each subject to an undrawn annual fee of 0.75%.

Subject to certain limitations and exceptions, the Credit Facilities are secured by collateral, including certain slots, route authorities, simulators and leasehold rights. American has the ability to make modifications to the collateral pledged, subject to certain restrictions. American's obligations under the Credit Facilities are guaranteed by AAG, and such guarantee is AAG's senior unsecured obligations (all of the collateral is owned by American, and AAG has not granted a security interest in any assets to secure any of the foregoing obligations). The Credit Facilities contain events of default customary for similar financings, including cross default and cross-acceleration to other material indebtedness.

(b) Senior Secured Notes

10.75% Senior Secured Notes

On September 25, 2020 (the 10.75% Senior Secured Notes Closing Date), American issued $1.0 billion in initial principal amount of senior secured IP notes (the IP Notes) and $200 million in initial principal amount of senior secured LGA/DCA notes (the LGA/DCA Notes and together with the IP Notes, the 10.75% Senior Secured Notes). In February 2025, American prepaid $308 million toward portions of the outstanding principal amounts of the 10.75% Senior Secured Notes. In October 2025, American redeemed in full the $629 million in aggregate principal amount of 10.75% Senior Secured Notes in advance of maturity at par, plus accrued and unpaid interest thereon, using amounts borrowed under a senior unsecured short-term term loan facility, described further below.

7.25% Senior Secured Notes

On February 15, 2023, American issued $750 million aggregate principal amount of 7.25% senior secured notes due 2028 (the 7.25% Senior Secured Notes) in a private offering. The 7.25% Senior Secured Notes were issued at par and bear interest at a rate of 7.25% per annum (subject to increase if the collateral coverage ratio described below is not met). Interest on the 7.25% Senior Secured Notes is payable semiannually in arrears on February 15 and August 15 of each year, which began on August 15, 2023. The 7.25% Senior Secured Notes will mature on February 15, 2028. The obligations of American under the 7.25% Senior Secured Notes are fully and unconditionally guaranteed on a senior unsecured basis by AAG.

The 7.25% Senior Secured Notes were issued pursuant to an indenture, dated as of February 15, 2023 (the 7.25% Senior Secured Notes Indenture), by and among American, AAG and Wilmington Trust, National Association, as trustee

and collateral agent. The 7.25% Senior Secured Notes are American's senior secured obligations and are secured on a first lien basis by security interests in certain assets, rights and properties that American uses to provide non-stop scheduled air carrier services between (a) certain airports in the United States and (b) airports in certain countries in South America and New Zealand (collectively, the 7.25% Senior Secured Notes Collateral). The 7.25% Senior Secured Notes Collateral also secures, on a first lien, pari passu basis with the 7.25% Senior Secured Notes, the 2013 Credit Facilities.

American may redeem the 7.25% Senior Secured Notes, in whole or in part, at the redemption prices described in the 7.25% Senior Secured Notes Indenture, plus any accrued and unpaid interest thereon to but excluding the date of redemption.

Twice per year, American is required to deliver an appraisal of the 7.25% Senior Secured Notes Collateral and an officer's certificate demonstrating the calculation of a collateral coverage ratio in relation to the 7.25% Senior Secured Notes Collateral (the 7.25% Senior Secured Notes Collateral Coverage Ratio) as of the date of delivery of the appraisal for the applicable period. If the 7.25% Senior Secured Notes Collateral Coverage Ratio is less than 1.6 to 1.0 as of the date of delivery of the appraisal for the applicable period, then, subject to a cure period in which additional collateral can be provided or debt repaid such that American meets the required 7.25% Senior Secured Notes Collateral Coverage Ratio, American will be required to pay special interest in an additional amount equal to 2.00% per annum of the principal amount of the 7.25% Senior Secured Notes until the 7.25% Senior Secured Notes Collateral Coverage Ratio is established to be at least 1.6 to 1.0.

8.50% Senior Secured Notes

On December 4, 2023, American issued $1.0 billion aggregate principal amount of 8.50% senior secured notes due 2029 (the 8.50% Senior Secured Notes) in a private offering. The 8.50% Senior Secured Notes were issued at par and bear interest at a rate of 8.50% per annum (subject to increase if the collateral coverage ratio described below is not met). Interest on the 8.50% Senior Secured Notes is payable semiannually in arrears on May 15 and November 15 of each year, which began on May 15, 2024. The 8.50% Senior Secured Notes will mature on May 15, 2029. The obligations of American under the 8.50% Senior Secured Notes are fully and unconditionally guaranteed on a senior unsecured basis by AAG.

The 8.50% Senior Secured Notes were issued pursuant to an indenture, dated as of December 4, 2023 (the 8.50% Senior Secured Notes Indenture), by and among American, AAG and Wilmington Trust, National Association, as trustee and collateral agent. The 8.50% Senior Secured Notes are American's senior secured obligations and are secured on a first lien basis by security interests in certain assets, rights and properties that American uses to provide non-stop scheduled air carrier services between (a) certain airports in the United States and (b) certain airports in Australia, Canada, the Caribbean, Central America, China, Hong Kong, Japan, Mexico, South Korea and Switzerland (collectively, the 8.50% Senior Secured Notes Collateral). The 8.50% Senior Secured Notes Collateral also secures, on a first lien, pari passu basis with the 8.50% Senior Secured Notes, the 2023 Term Loan Facility.

American may redeem the 8.50% Senior Secured Notes, in whole or in part, at the redemption prices described in the 8.50% Senior Secured Notes Indenture, plus any accrued and unpaid interest thereon to but excluding the date of redemption.

Twice per year, American is required to deliver an appraisal of the 8.50% Senior Secured Notes Collateral and an officer's certificate demonstrating the calculation of a collateral coverage ratio in relation to the 8.50% Senior Secured Notes Collateral (the 8.50% Senior Secured Notes Collateral Coverage Ratio) as of the date of delivery of the appraisal for the applicable period. If the 8.50% Senior Secured Notes Collateral Coverage Ratio is less than 1.6 to 1.0 as of the date of delivery of the appraisal for the applicable period, then, subject to a cure period in which additional collateral can be provided or debt repaid such that American meets the required 8.50% Senior Secured Notes Collateral Coverage Ratio, American will be required to pay special interest in an additional amount equal to 2.00% per annum of the principal amount of the 8.50% Senior Secured Notes until the 8.50% Senior Secured Notes Collateral Coverage Ratio is established to be at least 1.6 to 1.0.

(c) AAdvantage Financing

On March 24, 2021 (the 2021 AAdvantage Financing Closing Date), American and AAdvantage Loyalty IP Ltd., a Cayman Islands exempted company incorporated with limited liability and an indirect wholly-owned subsidiary of American (Loyalty Issuer and, together with American, the AAdvantage Issuers), completed the offering of $3.5 billion aggregate principal amount of 5.50% Senior Secured Notes due 2026 (the 2026 Notes) and $3.0 billion aggregate principal amount

of 5.75% Senior Secured Notes due 2029 (the 2029 Notes, and together with the 2026 Notes, the AAdvantage Notes). The AAdvantage Notes are fully and unconditionally guaranteed (the AAdvantage Note Guarantees) by an indirect, wholly-owned subsidiary of American, and other wholly-owned subsidiaries (together, the SPV Guarantors) and AAG.

Concurrent with the issuance of the AAdvantage Notes, the AAdvantage Issuers, as co-borrowers, entered into a term loan credit and guaranty agreement, dated March 24, 2021, as amended, providing for a $3.5 billion term loan facility (the 2021 AAdvantage Term Loan Facility). On March 24, 2025, the AAdvantage Issuers entered into a second amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Second Amendment). As a result of the Second Amendment, the term loans outstanding with a principal amount of approximately $2.3 billion were replaced with new term loans in the same principal amount. The terms of the new term loans are substantially similar to the prior term loans; however, the new term loans bear interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 1.25% per annum or, at the AAdvantage Issuers' option, the SOFR rate for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 2.25% per annum. Additionally, the scheduled quarterly principal amortization amount was reduced to 0.25% of the principal amount of term loans outstanding as of March 24, 2025 (approximately $6 million each quarter), which began in July 2025, and the remaining balance is due at maturity in April 2028. Pursuant to the Second Amendment, the new term loans are not subject to a cost spread adjustment. As of December 31, 2025, the margin elected for the 2021 AAdvantage Term Loan Facility was 2.25%.

On May 28, 2025, the AAdvantage Issuers entered into a third amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Third Amendment). As a result of the Third Amendment, the AAdvantage Issuers incurred $1.0 billion of incremental term loans (the 2025 AAdvantage Term Loan Facility) due on May 28, 2032. The terms of the 2025 AAdvantage Term Loan Facility are substantially similar to the 2021 AAdvantage Term Loan Facility; however, the 2025 AAdvantage Term Loan Facility bears interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 2.25% per annum or, at the AAdvantage Issuers' option, the SOFR rate for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 3.25% per annum. Additionally, the scheduled quarterly principal amortization amount is equal to 0.25% of the original aggregate principal amount of the 2025 AAdvantage Term Loan Facility (approximately $3 million each quarter), which began in July 2025, and the remaining balance is due at maturity in May 2032. Pursuant to the Third Amendment, the 2025 AAdvantage Term Loan Facility is not subject to a cost spread adjustment. The net proceeds from the 2025 AAdvantage Term Loan Facility were used, in part, to repay AAG's 6.50% convertible senior notes. As of December 31, 2025, the margin elected for the 2025 AAdvantage Term Loan Facility was 3.25%.

The AAdvantage Notes, 2021 AAdvantage Term Loan Facility and 2025 AAdvantage Term Loan Facility are collectively referred to as the AAdvantage Financing. The term loans drawn under the 2021 AAdvantage Term Loan Facility and 2025 AAdvantage Term Loan Facility (collectively, the AAdvantage Loans) are fully and unconditionally guaranteed (together with the AAdvantage Note Guarantees, the AAdvantage Guarantees) by the SPV Guarantors and AAG.

Subject to certain permitted liens and other exceptions, the AAdvantage Notes, AAdvantage Loans and AAdvantage Guarantees provided by the SPV Guarantors are secured by a first-priority security interest in, and pledge of, various agreements with respect to the AAdvantage program (the AAdvantage Agreements) (including all payments thereunder) and certain intellectual property licenses, certain deposit accounts that will receive cash under the AAdvantage Agreements, certain reserve accounts, the equity of each of Loyalty Issuer and the SPV Guarantors and substantially all other assets of Loyalty Issuer and the SPV Guarantors, including American's rights to certain data and other intellectual property used in the AAdvantage program (subject to certain exceptions) (collectively, the AAdvantage Collateral).

Payment Terms of the AAdvantage Financing

Interest on the AAdvantage Notes is payable in cash, quarterly in arrears on the 20th day of each January, April, July and October (each, an AAdvantage Payment Date), which began on July 20, 2021. The 2026 Notes will mature on April 20, 2026, and the 2029 Notes will mature on April 20, 2029. The outstanding principal on the 2026 Notes are repaid in quarterly installments of $292 million on each AAdvantage Payment Date, which began in July 2023. The outstanding principal on the 2029 Notes will be repaid in quarterly installments of $250 million on each AAdvantage Payment Date, beginning on July 20, 2026.

The AAdvantage Issuers may redeem the AAdvantage Notes, at their option, in whole or in part, at a redemption price equal to 100% of the principal amount of the AAdvantage Notes redeemed plus a "make-whole" premium, together with accrued and unpaid interest to the date of redemption.

The scheduled maturity date of the term loans under the 2021 AAdvantage Term Loan Facility is April 20, 2028. The outstanding principal on the loans due under such facility will be repaid in quarterly installments of approximately $6 million, on each AAdvantage Payment Date. The scheduled maturity date of the term loans under the 2025 AAdvantage Term Loan Facility is May 28, 2032. The outstanding principal on the loans due under such facility will be repaid in quarterly installments of approximately $3 million, on each AAdvantage Payment Date. These amortization payments (as well as those for the AAdvantage Notes) will be subject to the occurrence of certain early amortization events, including the failure to satisfy a minimum debt service coverage ratio at specified determination dates.

Prepayment of some or all of the outstanding amounts under the AAdvantage Loans is permitted, although payment of an applicable premium is required as specified in the term loans of the AAdvantage Loans.

The AAdvantage Indenture and the AAdvantage Loans contain mandatory prepayment provisions triggered upon (i) the issuance or incurrence by Loyalty Issuer or the SPV Guarantors of certain indebtedness or (ii) the receipt by American or its subsidiaries of net proceeds from pre-paid frequent flyer (i.e., AAdvantage) mileage credit sales exceeding $505 million. Each of these prepayments would also require payment of an applicable premium. Certain other events, including the occurrence of a change of control with respect to AAG and certain AAdvantage Collateral sales exceeding a specified threshold, will also trigger mandatory repurchase or mandatory prepayment provisions under the AAdvantage Indenture and the AAdvantage Loans, respectively.

(d) EETCs issued in 2025

2025-1 Aircraft EETCs

In November 2025, American created two pass-through trusts which issued approximately $1.1 billion aggregate face amount of Series 2025-1 Class A and Class B EETCs (the 2025-1 Aircraft EETCs) in connection with the financing of 25 aircraft delivered or to be delivered to American from October 2025 through March 2026 (the 2025-1 Aircraft). As of December 31, 2025, approximately $978 million of the proceeds had been used to purchase equipment notes issued by American in connection with the financing of 21 aircraft under the 2025-1 Aircraft EETCs. Interest and principal payments on equipment notes issued in connection with the 2025-1 Aircraft EETCs are payable semi-annually in May and November each year, with interest payments scheduled to begin in May 2026 and principal payments scheduled to begin in November 2026. The remaining proceeds of approximately $127 million as of December 31, 2025 were being held in escrow with a depositary for the benefit of the holders of the 2025-1 Aircraft EETCs until such time as American issues additional equipment notes with respect to the remaining 2025-1 Aircraft to the pass-through trusts, which will purchase such additional equipment notes with the escrowed funds. These escrowed funds are not guaranteed by American and are not reported as debt on its consolidated balance sheet because the proceeds held by the depositary for the benefit of the holders of the 2025-1 Aircraft EETCs are not American's assets.

Certain information regarding the 2025-1 Aircraft EETC equipment notes, as of December 31, 2025, is set forth in the table below:

	2025-1 Aircraft EETCs	
	Series A	Series B
Aggregate principal issued	$884 million	$221 million
Remaining escrowed proceeds	$102 million	$25 million
Fixed interest rate per annum	4.90%	5.65%
Maturity date	May 2038	November 2034

(e) Equipment Loans and Other Notes Payable Issued in 2025

In 2025, American entered into agreements under which it borrowed $1.2 billion in connection with the financing of certain aircraft. Debt incurred under these agreements matures in 2036 through 2037 and bears interest at variable rates (comprised of SOFR plus an applicable margin) averaging 5.72% as of December 31, 2025.

(f) Short-Term Term Loan Facility

In October 2025, American borrowed $629 million under a senior unsecured short-term term loan facility to refinance in full the $629 million outstanding principal amount of the 10.75% Senior Secured Notes, described above. Term loans under the facility were scheduled to mature on January 21, 2026 and bore interest at SOFR for a tenor of one month plus an applicable margin of 2.375% per annum, payable monthly. The term loans were fully and unconditionally guaranteed by AAG. On January 2, 2026, American voluntarily prepaid the remaining outstanding principal amount of the short-term term loan facility.

Other Financing Activities

In 2025, American prepaid $487 million of the outstanding principal amounts of certain equipment notes issued under EETCs, and these amounts were applied to repay the related trust certificates.

Guarantees

As of December 31, 2025, American had issued guarantees covering AAG's $1.8 billion aggregate principal amount of the PSP1 Promissory Note due April 2030, $1.0 billion aggregate principal amount of the PSP2 Promissory Note due January 2031 and $959 million aggregate principal amount of the PSP3 Promissory Note due April 2031.

Certain Covenants

American's debt agreements contain customary terms and conditions as well as various affirmative, negative and financial covenants that, among other things, may restrict American's ability to incur additional indebtedness. American's debt agreements also contain customary change of control provisions, which may require it to repay or redeem such indebtedness upon certain events constituting a change of control under the relevant agreement, in certain cases at a premium. Additionally, certain of American's debt financing agreements (including its secured notes, term loans, revolving credit facilities and spare engine EETCs) contain loan to value (LTV) or collateral coverage ratio covenants and certain agreements require American to appraise the related collateral annually or semiannually. Pursuant to such agreements, if the applicable LTV or collateral coverage ratio exceeds or falls below a specified threshold, as the case may be, American will be required, as applicable, to pledge additional qualifying collateral (which in some cases may include cash or investment securities), withhold additional cash in certain accounts, or pay down such financing, in whole or in part, or the interest rate for the relevant financing will be increased. Additionally, a significant portion of American's debt financing agreements contain covenants requiring it to maintain an aggregate of at least $2.0 billion of unrestricted cash and cash equivalents and amounts available to be drawn under revolving credit facilities, and its AAdvantage Financing contains a peak debt service coverage ratio, pursuant to which failure to comply with a certain threshold may result in early repayment, in whole or in part, of the AAdvantage Financing.

Specifically, American is required to meet certain collateral coverage tests for its Credit Facilities, 7.25% Senior Secured Notes and 8.50% Senior Secured Notes, as described below:

	2013 Credit Facilities	7.25% Senior Secured Notes	2014 Credit Facilities	2023 Credit Facilities	8.50% Senior Secured Notes
LTV Requirement	1.6x Collateral valuation to amount of debt outstanding (62.5% LTV)				
LTV as of Last Measurement Date	38.4%		15.3%	25.4%	
Frequency of Appraisals of Appraised Collateral	Semi-Annual				
Collateral Description	Generally, certain slots, route authorities and airport gate leasehold rights used by American to operate certain services between the U.S. and South America and New Zealand		Generally, certain slots, route authorities and airport gate leasehold rights used by American to operate certain services between the U.S. and European Union (including London Heathrow)	Generally, certain slots, route authorities and airport gate leasehold rights used by American to operate certain services between the U.S. and Australia, Canada, the Caribbean, Central America, China, Hong Kong, Japan, Mexico, South Korea and Switzerland	

At December 31, 2025, American was in compliance with the applicable collateral coverage tests as of the most recent measurement dates.

4. Leases

American leases certain aircraft and engines, including aircraft under capacity purchase agreements. As of December 31, 2025, American operated 677 leased aircraft, including 171 aircraft leased under capacity purchase agreements, with remaining terms ranging from less than one year to approximately 13 years.

At each airport where American conducts flight operations, American has agreements, generally with a governmental unit or authority, for the use of passenger, operations and baggage handling space as well as runways and taxiways. These agreements, particularly in the U.S., often contain provisions for periodic adjustments to rates and charges applicable under such agreements. These rates and charges also vary with American's level of operations and the operations of the airport. Because of the variable nature of these rates, these leases are not recorded on American's consolidated balance sheets as a ROU asset or a lease liability. Additionally, at American's hub locations and in certain other cities it serves, American leases administrative offices, catering, cargo, training, maintenance and other facilities.

The components of lease expense were as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Operating lease cost	$ 1,683	$ 1,828	$ 1,992
Finance lease cost:			
Amortization of assets	123	125	119
Interest on lease liabilities	48	39	44
Variable lease cost	3,382	3,059	2,703
Total net lease cost	$ 5,236	$ 5,051	$ 4,858

Included in the table above are $248 million, $225 million and $274 million of lease costs under American's capacity purchase agreement with Republic for the years ended December 31, 2025, 2024 and 2023, respectively. American holds a 20.8% equity interest in Republic Holdings, the parent company of Republic.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.

Supplemental balance sheet information related to leases was as follows (in millions, except lease term and discount rate):

	December 31, 2025	December 31, 2024
Operating leases:		
Operating lease ROU assets	$ 7,038	$ 7,274
Current operating lease liabilities	$ 1,048	$ 1,082
Noncurrent operating lease liabilities	5,860	5,926
Total operating lease liabilities	$ 6,908	$ 7,008
Finance leases:		
Property and equipment, at cost	$ 1,412	$ 1,604
Accumulated amortization	(640)	(924)
Property and equipment, net	$ 772	$ 680
Current finance lease liabilities	$ 114	$ 132
Noncurrent finance lease liabilities	610	531
Total finance lease liabilities	$ 724	$ 663
Weighted average remaining lease term (in years):		
Operating leases	8.4	8.2
Finance leases	7.8	7.4
Weighted average discount rate:		
Operating leases	7.3 %	7.5 %
Finance leases	7.1 %	7.0 %

Supplemental cash flow and other information related to leases was as follows (in millions):

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$ 1,633	$ 1,810	$ 2,011
Operating cash flows from finance leases	48	40	47
Financing cash flows from finance leases	120	145	255
Gain (loss) on sale leaseback transactions, net	(13)	76	12

Maturities of lease liabilities were as follows (in millions):

	December 31, 2025	
	Operating Leases	Finance Leases
2026	$ 1,487	$ 161
2027	1,358	152
2028	1,238	110
2029	1,131	102
2030	948	100
2031 and thereafter	2,987	310
Total lease payments	9,149	935
Less: Imputed interest	(2,241)	(211)
Total lease obligations	6,908	724
Less: Current obligations	(1,048)	(114)
Long-term lease obligations	$ 5,860	$ 610

5. Income Taxes

The significant components of the income tax provision were (in millions):

	Year Ended December 31,		
	2025	2024	2023
Deferred income tax provision:			
Federal	$ 183	$ 391	$ 361
State and local	14	35	33
Deferred income tax provision	197	426	394
Total income tax provision	$ 197	$ 426	$ 394

The income tax provision differed from amounts computed at the U.S. federal statutory income tax rate as follows (amounts in millions):

	Year Ended December 31,					
	2025		2024		2023	
	Amount	Rate	Amount	Rate	Amount	Rate
U.S. federal statutory income tax rate	$ 160	21.0 %	$ 355	21.0 %	$ 332	21.0 %
Domestic federal:						
Nontaxable or nondeductible items						
Nondeductible meals and other nondeductible employee benefits	23	3.0 %	18	1.1 %	19	1.2 %
Nondeductible officer compensation	10	1.3 %	12	0.7 %	11	0.6 %
Other nontaxable and nondeductible items	(4)	(0.4)%	12	0.7 %	4	0.3 %
Other	(6)	(0.8)%	—	— %	—	— %
Domestic state and local income taxes, net of federal effect	14	1.8 %	29	1.7 %	28	1.8 %
Effective tax rate	$ 197	25.9 %	$ 426	25.2 %	$ 394	24.9 %

The components of American's deferred tax assets and liabilities were (in millions):

	December 31,	
	2025	2024
Deferred tax assets:		
Net operating loss and other carryforwards	$ 3,566	$ 3,891
Loyalty program liability	1,949	1,799
Leases	1,553	1,582
Pension benefits	104	228
Postretirement benefits other than pension benefits	260	270
Rent expense	37	59
Other	633	726
Total deferred tax assets	8,102	8,555
Valuation allowance	(12)	(12)
Net deferred tax assets	8,090	8,543
Deferred tax liabilities:		
Accelerated depreciation and amortization	(4,520)	(4,599)
Leases	(1,582)	(1,642)
Other	(165)	(244)
Total deferred tax liabilities	(6,267)	(6,485)
Net deferred tax asset	$ 1,823	$ 2,058

At December 31, 2025, American had approximately $11.7 billion of gross federal NOLs and $3.8 billion of other carryforwards available to reduce future federal taxable income, of which $1.8 billion will expire beginning in 2033 if unused and $13.7 billion can be carried forward indefinitely. American is a member of AAG's consolidated federal and certain state income tax returns. American also had approximately $4.7 billion of NOL carryforwards to reduce future state taxable income at December 31, 2025, which will expire in taxable years 2025 through 2045 if unused.

American's ability to use its NOLs and other carryforwards depends on the amount of taxable income generated in future periods. American provides a valuation allowance for its deferred tax assets, which include its NOLs and other carryforwards, when it is more likely than not that some portion, or all of its deferred tax assets, will not be realized. American considers all available positive and negative evidence and makes certain assumptions in evaluating the realizability of its deferred tax assets. Many factors are considered that impact American's assessment of future profitability, including conditions which are beyond its control, such as the health of the economy, the availability and price volatility of aircraft fuel and travel demand. American has determined that positive factors outweigh negative factors in the determination of the realizability of its deferred tax assets.

In 2025, American recorded an income tax provision of $197 million with an effective rate of approximately 25.9%, which was substantially non-cash. Substantially all of American's income before income taxes is attributable to the United States.

American files its tax returns as prescribed by the tax laws of the jurisdictions in which it operates. American's 2022 through 2024 tax years are still subject to examination by the Internal Revenue Service. Various state, local and foreign jurisdiction tax years remain open to examination, and American is under examination, in administrative appeals or engaged in tax litigation in certain jurisdictions. American believes that the effect of any assessments will not be material to its consolidated financial statements.

The amount of, and changes to, American's uncertain tax positions were not material in any of the years presented. American accrues interest and penalties related to unrecognized tax benefits in interest expense and operating expense, respectively.

6. Fair Value Measurements

Assets Measured at Fair Value on a Recurring Basis

Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability (i.e., an exit price) on the measurement date in an orderly transaction between market participants in the principal or most advantageous market for the asset or liability. Accounting standards include disclosure requirements around fair values used for certain financial instruments and establish a fair value hierarchy. The hierarchy prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of three levels:

- Level 1 – Observable inputs such as quoted prices in active markets;
- Level 2 – Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

When available, American uses quoted market prices to determine the fair value of its financial assets. If quoted market prices are not available, American measures fair value using valuation techniques that use, when possible, current market-based or independently-sourced market parameters, such as interest rates and currency rates.

American utilizes the market approach to measure the fair value of its financial assets. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. American's short-term investments, restricted cash and restricted short-term investments classified as Level 2 utilize significant observable inputs, other than quoted prices in active markets, for valuation of these securities. No changes in valuation techniques or inputs occurred during the year ended December 31, 2025.

Assets measured at fair value on a recurring basis are summarized below (in millions):

	Fair Value Measurements as of December 31, 2025			
	Total	Level 1	Level 2	Level 3
Short-term investments [1], [2]:				
Money market funds	$ 828	$ 828	$ —	$ —
Corporate obligations	3,063	—	3,063	—
Bank notes/certificates of deposit/time deposits	589	—	589	—
Repurchase agreements	400	—	400	—
	4,880	828	4,052	—
Restricted cash and short-term investments [1], [3]	735	425	310	—
Long-term investments [4]	209	209	—	—
Total	$ 5,824	$ 1,462	$ 4,362	$ —

	Fair Value Measurements as of December 31, 2024			
	Total	Level 1	Level 2	Level 3
Short-term investments [1]:				
Money market funds	$ 678	$ 678	$ —	$ —
Corporate obligations	2,909	—	2,909	—
Bank notes/certificates of deposit/time deposits	2,040	—	2,040	—
Repurchase agreements	550	—	550	—
	6,177	678	5,499	—
Restricted cash and short-term investments [1], [3]	732	442	290	—
Long-term investments [4]	161	161	—	—
Total	$ 7,070	$ 1,281	$ 5,789	$ —

(1) All short-term investments are classified as available-for-sale and stated at fair value. Unrealized gains and losses are recorded in accumulated other comprehensive loss at each reporting period. There were no credit losses.

(2) American's short-term investments as of December 31, 2025 mature in one year or less.

(3) Restricted cash and short-term investments primarily include collateral held to support workers' compensation obligations, collateral associated with the payment of interest for the AAdvantage Financing and money market funds to be used to finance the cost of improvements at the Tulsa Maintenance Base. Restricted short-term investments principally mature in one year or less.

(4) Long-term investments primarily include American's equity investment in China Southern Airlines Company Limited (China Southern Airlines). See Note 7 for further information on American's equity investments.

Fair Value of Debt

The fair value of American's long-term debt was estimated using quoted market prices or discounted cash flow analyses based on American's current estimated incremental borrowing rates for similar types of borrowing arrangements.

The carrying value and estimated fair value of American's long-term debt, including current maturities, were as follows (in millions):

	December 31, 2025				
	Carrying Value	Fair Value			
		Total	Level 1	Level 2	Level 3
Long-term debt, including current maturities	$ 24,535	$ 25,051	$ —	$ 25,051	$ —

	December 31, 2024				
	Carrying Value	Fair Value			
		Total	Level 1	Level 2	Level 3
Long-term debt, including current maturities	$ 25,072	$ 25,234	$ —	$ 25,234	$ —

7. Investments

To help expand American's network and as part of its ongoing commitment to sustainability, American enters into various commercial relationships or other strategic partnerships, including equity investments, with other airlines and companies.

American's equity investments, ownership interest and carrying value were as follows:

		Ownership Interest		Carrying Value (in millions)	
		December 31,		December 31,	
	Accounting Treatment	2025	2024	2025	2024
Republic Holdings (1)	Equity Method	20.8 %	25.0 %	$ 254	$ 253
China Southern Airlines	Fair Value	1.5 %	1.5 %	203	142
Other investments (2)	Various			146	120
Total				$ 603	$ 515

(1) In November 2025, Republic Holdings completed a merger with Mesa Air Group, Inc. As a result, American's equity interest in Republic Holdings decreased from 25.0% to 20.8%.

(2) Primarily includes American's investment in JetSMART Holdings Limited, which is accounted for under the equity method.

8. Employee Benefit Plans

American sponsors defined benefit and defined contribution pension plans for eligible employees. The defined benefit pension plans provide benefits for participating employees based on years of service and average compensation for a specified period of time before retirement. Effective November 1, 2012, substantially all of American's defined benefit pension plans were frozen and American began providing enhanced benefits under its defined contribution pension plans for certain employee groups. American uses a December 31 measurement date for all of its defined benefit pension plans. American also provides certain retiree medical and other postretirement benefits, including health care and life insurance benefits to retired employees and notional retiree health reimbursement arrangements for eligible participants.

Benefit Obligations, Fair Value of Plan Assets and Funded Status

The following tables provide a reconciliation of the changes in the pension and retiree medical and other postretirement benefits obligations, fair value of plan assets and funded status as of December 31, 2025 and 2024:

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
Benefit obligation at beginning of period	$ 13,258	$ 14,314	$ 1,307	$ 1,325
Service cost	2	2	23	29
Interest cost	725	718	69	64
Actuarial loss (gain) [1], [2]	169	(737)	(11)	(58)
Plan amendments [3]	—	—	—	54
Benefit payments	(914)	(907)	(130)	(107)
Other	—	(132)	—	—
Benefit obligation at end of period	$ 13,240	$ 13,258	$ 1,258	$ 1,307
Fair value of plan assets at beginning of period	$ 12,175	$ 12,358	$ 128	$ 133
Actual return on plan assets	1,216	561	15	9
Employer contributions [4]	225	295	105	93
Benefit payments	(914)	(907)	(130)	(107)
Other	—	(132)	—	—
Fair value of plan assets at end of period	$ 12,702	$ 12,175	$ 118	$ 128
Funded status at end of period	$ (538)	$ (1,083)	$ (1,140)	$ (1,179)

(1) The 2025 and 2024 pension actuarial loss (gain) primarily relates to the change in American's weighted average discount rate assumption.

(2) The 2025 and 2024 retiree medical and other postretirement benefits actuarial gain primarily relates to changes in certain retirement assumptions, offset in part by increases in health care premiums and health care cost assumptions. Changes in American's weighted average discount rate assumption also impacted the net actuarial gain in 2025 and 2024.

(3) In 2024, American remeasured its retiree medical and other postretirement benefits to account for enhanced retirement benefits pursuant to the ratification of new CBAs. As a result, American increased its postretirement benefits obligation by $54 million, which was included as a component of prior service cost in accumulated other comprehensive loss.

(4) In 2025 and 2024, American made required contributions of $221 million and $280 million, respectively, to its defined benefit pension plans.

Balance Sheet Position

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
As of December 31:				
Current liability	$ 4	$ 5	$ 108	$ 142
Noncurrent liability	534	1,078	1,032	1,037
Total liabilities	$ 538	$ 1,083	$ 1,140	$ 1,179

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
As of December 31:				
Net actuarial loss (gain)	$ 2,915	$ 3,130	$ (395)	$ (407)
Prior service cost	1	1	221	238
Total accumulated other comprehensive loss (income), pre-tax	$ 2,916	$ 3,131	$ (174)	$ (169)

Plans with Projected Benefit Obligations Exceeding Fair Value of Plan Assets

	Pension Benefits	
	2025	2024
	(In millions)	
As of December 31:		
Projected benefit obligation	$ 8,807	$ 13,258
Fair value of plan assets	8,209	12,175

Plans with Accumulated Benefit Obligations Exceeding Fair Value of Plan Assets

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
As of December 31:				
Accumulated benefit obligation	$ 8,801	$ 13,251	$ —	$ —
Accumulated postretirement benefit obligation	—	—	1,258	1,307
Fair value of plan assets	8,209	12,175	118	128

Net Periodic Benefit Cost (Income)

	Pension Benefits			Retiree Medical and Other Postretirement Benefits		
	2025	2024	2023	2025	2024	2023
	(In millions)					
For the years ended December 31:						
Defined benefit plans:						
Service cost	$ 2	$ 2	$ 2	$ 23	$ 29	$ 17
Interest cost	725	718	753	69	64	55
Expected return on assets	(923)	(973)	(914)	(9)	(10)	(11)
Amortization of:						
Prior service cost (benefit)	—	—	18	18	14	(6)
Unrecognized net loss (gain)	91	105	106	(27)	(31)	(34)
Net periodic benefit cost (income)	$ (105)	$ (148)	$ (35)	$ 74	$ 66	$ 21

The service cost component of net periodic benefit cost (income) is included in operating expenses and the other components of net periodic benefit cost (income) are included in nonoperating other income (expense), net on American's consolidated statements of operations.

Assumptions

The following actuarial assumptions were used to determine American's benefit obligations and net periodic benefit cost (income) for the periods presented:

	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
Benefit obligations as of December 31:				
Weighted average discount rate	5.5%	5.7%	5.3%	5.6%

	Pension Benefits			Retiree Medical and Other Postretirement Benefits		
	2025	2024	2023	2025	2024	2023
Net periodic benefit cost (income) for the years ended December 31:						
Weighted average discount rate	5.7%	5.2%	5.6%	5.6%	5.3%	5.7%
Weighted average expected rate of return on plan assets	7.75%	8.0%	8.0%	7.75%	8.0%	8.0%
Weighted average health care cost trend rate assumed for next year [1]	N/A	N/A	N/A	7.0%	6.5%	6.5%

[1] The weighted average health care cost trend rate at December 31, 2025 is assumed to decline gradually to 4.5% by 2036 and remain level thereafter.

As of January 1, 2026, American's estimate of the long-term rate of return on plan assets is 7.3% based on the target asset allocation. Expected returns on long duration bonds are based on yields to maturity of the bonds held at year-end. Expected returns on other assets are based on a combination of long-term historical returns, actual returns on plan assets achieved over the last 10 years, current and expected market conditions, and expected value to be generated through active management and securities lending programs.

Minimum Contributions

American is required to make minimum contributions to its defined benefit pension plans under the minimum funding requirements of the Employee Retirement Income Security Act of 1974 (ERISA) and various other laws for U.S. based plans as well as underfunding rules specific to countries where American maintains defined benefit pension plans. Based on current funding assumptions, American has minimum required contributions of $236 million for 2026. American's future funding obligations will depend on the performance of American's investments held in a trust by the pension plans, interest rates for determining funding targets, the amount of and timing of any supplemental contributions and American's actuarial experience.

In January 2026, American made required contributions of $236 million and a supplemental contribution of $50 million to its defined benefit pension plans.

Benefit Payments

The following benefit payments, which reflect expected future service as appropriate, are expected to be paid (approximately, in millions):

	2026	2027	2028	2029	2030	2031-2035
Pension benefits	$ 979	$ 993	$ 1,006	$ 1,016	$ 1,023	$ 5,078
Retiree medical and other postretirement benefits	135	138	140	139	137	609

Plan Assets

The objectives of American's investment policies are to: maintain sufficient income and liquidity to pay retirement benefits; produce a long-term rate of return that meets or exceeds the assumed rate of return for plan assets; limit the volatility of asset performance and funded status; and diversify assets among asset classes and investment managers.

Based on these investment objectives, a long-term strategic asset allocation has been established. This strategic allocation seeks to balance the potential benefit of improving the funded position with the potential risk that the funded position would decline. The current strategic target asset allocation with the corresponding allowed range is as follows:

Asset Class/Sub-Class	Target Allocation	Allowed Range
Equity	45%	10% - 80%
Public:		
U.S.	18%	5% - 40%
International developed markets	9%	0% - 20%
Emerging markets	3%	0% - 10%
Private equity	15%	5% - 35%
Fixed income	55%	15% - 90%
Public U.S. fixed income	45%	15% - 70%
Private income	10%	0% - 20%
Other	0%	0% - 5%
Cash equivalents	0%	0% - 20%

Public equity investments are intended to provide a real return over a full market cycle and, therefore, to contribute to the pension plan's long-term objective. Public fixed income investments are intended to provide income to the plan and offer the potential for long term capital appreciation. Private investments, such as private equity and private income, are used to provide higher expected returns than public markets over the long-term by assuming reduced levels of liquidity and higher levels of risk. The pension plan's master trust participates in securities lending programs to generate additional income by loaning plan assets to borrowers on a fully collateralized basis. The pension plan's master trust will also engage in derivative instruments to equitize residual levels of cash as well as hedge the pension plan's exposure to interest rates. Such programs are subject to market risk and counterparty risk.

Investments in securities traded on recognized securities exchanges are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market are valued at the last bid price. Investments in limited partnerships are carried at estimated net asset value (NAV) as determined by and reported by the general partners of the partnerships and represent the proportionate share of the estimated fair value of the underlying assets of the limited partnerships. Mutual funds are valued once daily through a NAV calculation provided at the end of each trade day. Common/collective trusts are valued at NAV based on the fair values of the underlying investments of the trusts as determined by the sponsor of the trusts. No changes in valuation techniques or inputs occurred during the year.

Benefit Plan Assets Measured at Fair Value on a Recurring Basis

The fair value of American's pension plan assets at December 31, 2025 and 2024, by asset category, were as follows (in millions) [1]:

	December 31, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equity [2]	$ 2,083	$ —	$ —	$ 2,083	$ 2,498	$ —	$ —	$ 2,498
Fixed income [3]	465	5,390	—	5,855	427	3,723	—	4,150
Other, net [4]	144	288	63	495	91	144	68	303
Measured at NAV [5]:								
Common collective trusts [6]	—	—	—	198	—	—	—	1,086
Private investments [7]	—	—	—	4,071	—	—	—	4,138
Total plan assets	$ 2,692	$ 5,678	$ 63	$ 12,702	$ 3,016	$ 3,867	$ 68	$ 12,175

[1] See Note 6 for a description of the levels within the fair value hierarchy.

[2] Equity investments primarily include domestic and international common stock.

[3] Fixed income investments primarily include corporate and government bonds, as well as mutual funds invested in fixed income securities.

[4] Other primarily includes a short-term investment fund, net receivables and payables of the pension plan's master trust for dividends, interest and amounts due to or from the sale and purchase of securities and cash and cash equivalents.

[5] Includes investments that were measured at NAV per share (or its equivalent) as a practical expedient that have not been classified in the fair value hierarchy.

[6] Common collective trusts include commingled funds primarily invested in equity securities.

[7] Private investments include limited partnerships that invest primarily in domestic private equity and private income opportunities. The pension plan's master trust does not have the right to redeem its limited partnership investment at its NAV, but rather receives distributions as the underlying assets are liquidated. It is estimated that the underlying assets of these funds will be gradually liquidated over the next 10 years. As of December 31, 2025, the pension plan's master trust has future funding commitments to these limited partnerships of approximately $1.0 billion, most of which are expected to be called over the next seven years.

Changes in fair value measurements of Level 3 investments during the years ended December 31, 2025 and 2024, were as follows (in millions):

	2025	2024
Balance at beginning of year	$ 68	$ 84
Actual gain (loss) on plan assets:		
Relating to assets still held at the reporting date	(8)	(25)
Purchases	5	9
Sales	(2)	—
Balance at end of year	$ 63	$ 68

Plan assets in the retiree medical and other postretirement benefits plans are primarily Level 2 mutual funds valued by quoted prices on the active market, which is fair value, and represents the NAV of the shares of such funds as of the close of business at the end of the period. NAV is based on the fair market value of the funds' underlying assets and liabilities at the date of determination.

Defined Contribution and Multiemployer Plans

The costs associated with American's defined contribution plans were $1.6 billion, $1.4 billion and $1.1 billion for the years ended December 31, 2025, 2024 and 2023, respectively.

American participates in the International Association of Machinists & Aerospace Workers (IAM) National Pension Fund, Employer Identification No. 51-6031295 and Plan No. 002 (the IAM Pension Fund). American's contributions to the IAM Pension Fund were $63 million, $57 million and $52 million for the years ended December 31, 2025, 2024 and 2023, respectively. The IAM Pension Fund reported $640 million in employers' contributions for the year ended December 31, 2024, which is the most recent year for which such information is available. For 2024 and 2023, American's contributions represented more than 5% of total contributions to the IAM Pension Fund.

On March 29, 2019, the actuary for the IAM Pension Fund certified that the fund was in "endangered" status despite reporting a funded status of over 80%. Additionally, the IAM Pension Fund's Board voluntarily elected to enter into "critical" status on April 17, 2019. Upon entry into critical status, the IAM Pension Fund was required by law to adopt a rehabilitation plan aimed at restoring the financial health of the pension plan and did so on April 17, 2019 (the Rehabilitation Plan). Under the Rehabilitation Plan, American was subject to an immaterial contribution surcharge, which ceased to apply June 14, 2019 upon American's mandatory adoption of a contribution schedule under the Rehabilitation Plan. The contribution schedule requires 2.5% annual increases to its contribution rate. This contribution schedule will remain in effect through the earlier of December 31, 2031 or the date the IAM Pension Fund emerges from critical status. As of the most recent data available, the IAM Pension Fund remains in critical status.

Profit Sharing Program

American's annual profit sharing program is funded by 10% of adjusted pre-tax earnings up to $2.5 billion and 20% of earnings above that threshold. Adjusted pre-tax earnings exclude net special items and certain other amounts, as defined by the plan. For the year ended December 31, 2025, American accrued $55 million for this program, which will be distributed to employees in the first quarter of 2026.

9. Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive income (loss) (AOCI) are as follows (in millions):

	Pension, Retiree Medical and Other Postretirement Benefits	Unrealized Gain (Loss) on Investments	Income Tax Provision [1]	Total
Balance at December 31, 2023	$ (3,376)	$ (2)	$ (1,621)	$ (4,999)
Other comprehensive income (loss) before reclassifications	326	2	(74)	254
Amounts reclassified from AOCI	88	—	(20)	68
Net current-period other comprehensive income (loss)	414	2	(94)	322
Balance at December 31, 2024	(2,962)	—	(1,715)	(4,677)
Other comprehensive income (loss) before reclassifications	138	—	(32)	106
Amounts reclassified from AOCI	82	—	(18)	64
Net current-period other comprehensive income (loss)	220	—	(50)	170
Balance at December 31, 2025	$ (2,742)	$ —	$ (1,765)	$ (4,507)

[1] Relates principally to pension, retiree medical and other postretirement benefits obligations that will not be recognized in net income until the obligations are fully extinguished. Amounts reclassified from AOCI are recognized within the income tax provision on American's consolidated statements of operations.

Reclassifications out of AOCI for the years ended December 31, 2025 and 2024 are as follows (in millions):

	Amounts reclassified from AOCI Year Ended December 31,		
AOCI Components	2025	2024	Affected line items on the consolidated statements of operations
Amortization of pension, retiree medical and other postretirement benefits:			
Prior service cost	$ 14	$ 11	Nonoperating other income (expense), net
Actuarial loss	50	57	Nonoperating other income (expense), net
Total reclassifications for the period, net of tax	$ 64	$ 68	

10. Commitments, Contingencies and Guarantees

(a) Aircraft, Engine and Other Purchase Commitments

Under all of American's aircraft and engine purchase agreements, its total future commitments as of December 31, 2025 are expected to be as follows (approximately, in millions):

	2026	2027	2028	2029	2030	2031 and Thereafter	Total
Payments for aircraft and engine commitments [1]	$ 2,931	$ 2,468	$ 4,021	$ 4,921	$ 3,151	$ 6,696	$ 24,188

[1] These amounts are net of purchase deposits currently held by the equipment manufacturers. American's purchase deposits held by such manufacturers totaled $656 million and $1.0 billion as of December 31, 2025 and 2024, respectively.

Due to uncertainty surrounding the timing of delivery of certain aircraft, the amounts in the table represent American's most current estimate based on contractual delivery schedules adjusted for updates and revisions to such schedules communicated to management by the applicable equipment manufacturer and certain management assumptions. However, the actual delivery schedule may differ, potentially materially, based on various potential factors including production delays by the equipment manufacturers and regulatory concerns.

Additionally, American has other purchase commitments primarily related to aircraft fuel, flight equipment maintenance and information technology support as follows (approximately): $4.1 billion in 2026, $1.8 billion in 2027, $1.6 billion in 2028, $493 million in 2029, $615 million in 2030 and $3.7 billion in 2031 and thereafter. These amounts exclude

obligations under certain fuel offtake agreements or other agreements for which the timing of the related expenditure is uncertain, or which are subject to material contingencies, such as the construction of a production facility.

(b) Capacity Purchase Agreements with Third-Party Regional Carriers

American has capacity purchase agreements with third-party regional carriers. The capacity purchase agreements provide that all revenues, including passenger, in-flight, ancillary, mail and freight revenues, go to American. American controls marketing, scheduling, ticketing, pricing and seat inventories. In return, American agrees to pay predetermined fees to these airlines for operating an agreed-upon number of aircraft, without regard to the number of passengers on board. In addition, these agreements provide that American either reimburses or pays 100% of certain variable costs, such as airport landing fees, fuel and passenger liability insurance.

As of December 31, 2025, American's capacity purchase agreements with third-party regional carriers had expiration dates ranging from 2032 to 2033, with rights of American to extend the respective terms of certain agreements.

As of December 31, 2025, American's commitments under its capacity purchase agreements with third-party regional carriers are expected to be as follows (approximately, in millions):

	2026	2027	2028	2029	2030	2031 and Thereafter	Total
Regional capacity purchase agreements [1]	$ 1,159	$ 1,156	$ 1,082	$ 900	$ 457	$ 399	$ 5,153

[1] These commitments are estimates of costs based on assumed minimum levels of flying under the capacity purchase agreements and American's actual payments could differ materially.

(c) Construction Projects

Los Angeles International Airport (LAX)

In 2018, American executed a lease agreement with Los Angeles World Airports (LAWA), which owns and operates LAX, in connection with a $1.6 billion modernization project related to LAX Terminals 4 and 5. Construction started in October 2018 and is expected to be completed in 2028 in a phased approach. Under the lease agreement and subsequent project component approvals, the City of Los Angeles Board of Airport Commissioners has appropriated approximately $1.6 billion to purchase completed project assets, representing the maximum allowable reimbursement by LAWA. In September 2024, American executed an agreement to where a substantial majority of the non-proprietary project costs will be funded through the Regional Airports Improvement Corporation (RAIC), a quasigovernmental special purpose entity that acts as a conduit borrower under a syndicated credit facility provided by a group of lenders in the form of a $250 million revolving credit facility. Loans made under the credit facility are being repaid with the proceeds from LAWA's purchase of completed project assets. American guarantees the obligation of the RAIC under the credit facility associated with the Terminals 4 and 5 lease. As of December 31, 2025, American's outstanding guaranteed obligation under the credit facility for the Terminals 4 and 5 project was $135 million. Additionally, American has recovered $1.3 billion since project inception through the end of 2025 and expects to receive approximately $292 million in additional reimbursements by the end of 2028.

As American controls the assets during construction, they are recognized on its consolidated balance sheets within operating property and equipment until the assets are sold and transferred. For the years ended December 31, 2025, 2024 and 2023, American has sold and transferred $163 million, $588 million and $170 million of non-proprietary improvements, respectively, which are included within proceeds from sale-leaseback transactions and sale of property and equipment on American's consolidated statements of cash flows. For the years ended December 31, 2025, 2024 and 2023, American incurred $107 million, $187 million and $283 million, respectively, of non-proprietary improvement costs relating to the LAX modernization project. Cash payments related to these improvements are included within other investing activities on American's consolidated statements of cash flows.

Tulsa Maintenance Base

Improvements to the Tulsa Maintenance Base include the design, construction and renovation of various facilities therein. The Tulsa Maintenance Base is American's largest maintenance facility and is an integral part of operating its mainline fleet. American has concluded that it does not control the underlying assets being constructed, and therefore, it recognizes operating lease liabilities with corresponding ROU assets on the consolidated balance sheet as individual project stages are completed and leases commence.

In May 2025, the Tulsa Municipal Airport Trust (TMAT) issued $400 million aggregate principal amount of special facility revenue bonds on behalf of American, with $300 million maturing on December 1, 2035 and $100 million maturing on December 1, 2040 (collectively, the 2025 TMAT Bonds). The 2025 TMAT Bond due December 1, 2035 was priced at 109% of par value and the 2025 TMAT Bond due December 1, 2040 was priced at 107% of par value. The gross proceeds from the issuance of the 2025 TMAT Bonds were approximately $432 million. Of this amount, $104 million was used to fund the redemption of the aggregate principal amount of TMAT's outstanding 2015 special facility revenue bonds (the 2015 TMAT Bonds), and the remaining $328 million will be used to finance the cost of improvements at the Tulsa Maintenance Base, which are expected to be completed in 2028. The net proceeds received from the 2025 TMAT Bonds, offset by related project spend, are reflected within other investing activities in the consolidated statement of cash flows.

The 2025 TMAT Bonds bear interest at 6.25% per annum commencing on May 8, 2025, until the day preceding the applicable maturity date, on which date the bonds will be subject to mandatory tender for purchase by American. American is required to pay rent equal to the annual principal and interest requirement on the 2025 TMAT Bonds through payments under a sublease agreement with TMAT (as amended), and AAG guarantees the 2025 TMAT Bonds. American's obligations under both the sublease agreement with TMAT and the 2025 TMAT Bonds are secured by a leasehold mortgage on American's lease of the Tulsa Maintenance Base.

(d) Off-Balance Sheet Arrangements

Pass-Through Trusts

American currently has 280 owned aircraft and 60 owned spare aircraft engines, which in each case were financed with EETCs issued by pass-through trusts. These trusts are off-balance sheet entities, the primary purpose of which is to finance the acquisition of flight equipment or to permit issuance of debt backed by existing flight equipment. In the case of aircraft EETCs, rather than finance each aircraft separately when such aircraft is purchased, delivered or refinanced, these trusts allow American to raise the financing for a number of aircraft at one time and, if applicable, place such funds in escrow pending a future purchase, delivery or refinancing of the relevant aircraft. Similarly, in the case of spare engine EETCs, the trusts allow American to use its existing pool of spare engines to raise financing under a single facility. The trusts have also been structured to provide for certain credit enhancements, such as liquidity facilities to cover certain interest payments, that reduce the risks to the purchasers of the trust certificates and, as a result, reduce the cost of aircraft financing to American.

Each trust covers a set number of aircraft or spare engines scheduled to be delivered, financed or refinanced upon the issuance of the EETC or within a specific period of time thereafter. At the time of each covered aircraft or spare engine financing, the relevant trust used the proceeds from the issuance of the EETC (which may have been available at the time of issuance thereof or held in escrow until financing of the applicable aircraft following its delivery) to purchase equipment notes relating to the financed aircraft or engines. The equipment notes are issued, at American's election, in connection with a mortgage financing of the aircraft or spare engines. The equipment notes are secured by a security interest in the aircraft or engines, as applicable. The pass-through trust certificates are not direct obligations of, nor are they guaranteed by, AAG or American. However, the equipment notes issued to the trusts are direct obligations of American and, in certain instances, have been guaranteed by AAG. As of December 31, 2025, $6.9 billion associated with these mortgage financings is reflected as debt in the accompanying consolidated balance sheet.

Letters of Credit and Other

American provides financial assurance, such as letters of credit and surety bonds, primarily to support projected workers' compensation obligations and airport commitments. As of December 31, 2025, American had $412 million of letters of credit and surety bonds securing various obligations, of which $97 million is collateralized with American's restricted cash. The letters of credit and surety bonds that are subject to expiration will expire on various dates through 2037.

(e) Legal Proceedings

Private Party Antitrust Actions Related to the Northeast Alliance (NEA). On December 5, 2022 and December 7, 2022, two private party plaintiffs filed putative class action antitrust complaints against AAG and JetBlue Airways Corporation (JetBlue) in the U.S. District Court for the Eastern District of New York alleging that AAG and JetBlue violated U.S. antitrust law in connection with the previously disclosed NEA. These actions were consolidated on January 10, 2023. The private party plaintiffs filed an amended consolidated complaint on February 3, 2023. On February 2, 2023 and February 15, 2023, private party plaintiffs filed two additional putative class action antitrust complaints against AAG and JetBlue in the U.S. District Court for the District of Massachusetts and the U.S. District Court for the Eastern District of New York,

respectively. In March 2023, AAG filed a motion in the U.S. District Court for the District of Massachusetts case asking to transfer the case to the U.S. District Court for the Eastern District of New York and consolidate it with the cases pending in that venue. The U.S. District Court for the District of Massachusetts granted that motion. The remaining cases were consolidated with the other actions in the Eastern District of New York. In June 2023, the private party plaintiffs filed a second amended consolidated complaint, followed by a third amended complaint filed in August 2023. In September 2023, AAG, together with JetBlue, filed a motion to dismiss the third amended complaint. In September 2024, the court denied that motion. AAG and JetBlue filed answers to the private party plaintiffs' third amended complaint in October 2024. AAG believes these lawsuits are without merit and is defending against them vigorously.

Securities and Stockholder Derivative Litigation. On July 18, 2024, AAG and certain of its current and former officers were named as defendants in a putative class action lawsuit filed in the U.S. District Court for the Northern District of Texas, captioned *Qawasmi v. American Airlines Group Inc., et al*. The *Qawasmi* plaintiff purported to represent investors who acquired AAG securities between January 25, 2024 and May 28, 2024. On August 28, 2024, AAG and certain of its current and former officers were named as defendants in a second putative class action lawsuit filed in the same court, captioned *Thornburg v. American Airlines Group Inc., et al*. The *Thornburg* plaintiff purported to represent investors who acquired AAG securities between July 20, 2023 and May 28, 2024. Both the *Qawasmi* and *Thornburg* complaints asserted violations of Sections 10(b) and 20(a) of the Exchange Act based on allegations that, during the relevant periods, AAG misrepresented and/or omitted material facts related to its financial outlook and certain commercial initiatives. On November 22, 2024, the *Qawasmi* and *Thornburg* complaints were consolidated into a single action bearing the caption *In re American Airlines Group Inc. Securities Litigation*. The court also appointed co-lead plaintiffs and lead counsel to represent the putative class in the consolidated action. Plaintiffs filed a consolidated complaint on January 21, 2025, and an amended consolidated complaint on March 19, 2025. The consolidated complaint made similar factual allegations to the prior complaints regarding AAG's financial outlook and certain commercial initiatives. AAG and the individual defendants filed a joint motion to dismiss on March 21, 2025. On November 15, 2025, the court granted AAG's motion in full, dismissing the complaint with prejudice. The court entered final judgment in favor of defendants on November 18, 2025. Plaintiffs did not appeal the order, and the case is closed.

Additionally, on September 19, 2024, certain of AAG's current and former directors and officers were named as defendants in a shareholder derivative lawsuit (in which AAG is a nominal defendant) filed in the U.S. District Court for the Northern District of Texas, captioned *Hollin v. Isom, et al.* The *Hollin* complaint asserted violations of Section 10(b) of the Exchange Act, breach of fiduciary duty, and claims for unjust enrichment and corporate waste. On September 26, 2024, a second derivative complaint was filed in the same court, similarly naming certain of AAG's current and former directors and officers (as well as AAG as a nominal defendant), captioned *Leon v. Isom, et al*. The *Leon* complaint asserted violations of Section 14(a) of the Exchange Act, breaches of fiduciary duty, claims of unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and a claim for contribution. The *Hollin* and *Leon* complaints generally alleged the same purported misconduct as alleged in the securities class action. On November 25, 2024, the *Hollin* and *Leon* complaints were consolidated into a single action bearing the caption *In re American Airlines Group Inc. Stockholder Derivative Litigation*. Plaintiffs and AAG filed a joint motion to voluntarily dismiss the consolidated derivative action without prejudice on February 5, 2026, and on February 6, 2026, the court granted AAG's motion in full, dismissing all claims in the matter without prejudice and entering final judgment in favor of defendants.

American Eagle Flight 5342 Accident Litigation. On January 29, 2025, American Eagle flight 5342 was involved in a fatal accident in Washington, D.C. The Bombardier CRJ700 aircraft operated by PSA Airlines, Inc. (PSA) was en route to Washington, D.C. from Wichita, Kansas when it was involved in a midair collision near Ronald Reagan Washington National Airport. Beginning on September 24, 2025, multiple wrongful death and survival actions have been filed in the U.S. District Court for the District of Columbia related to the accident. AAG expects additional actions will continue to be filed. All cases have been assigned to the same judge and are subject to streamlined pleading and discovery procedures. The court required plaintiffs to file a single consolidated Master Complaint (MC), with later joining plaintiffs to file short form complaints adopting the MC and adding any plaintiff-specific information. The MC alleges that the U.S. Government, American and PSA negligently caused or contributed to the accident. In December 2025, American and PSA filed motions to dismiss asserting several defenses. Briefing on the motions to dismiss is ongoing, with a hearing set for February 27, 2026. Discovery is ongoing pursuant to an expedited 18-month discovery and pre-trial calendar, which sets the trial date for April 12, 2027. AAG believes these lawsuits are without merit as to American and PSA and is defending against them vigorously.

General. In addition to the specifically identified legal proceedings, American and its subsidiaries are also engaged in other legal proceedings from time to time. Legal proceedings can be complex and take many months, or even years, to reach resolution, with the final outcome depending on a number of variables, some of which are not within American's control. Therefore, although American will vigorously defend itself in each of the actions described above and such other legal proceedings, their ultimate resolution and potential financial and other impacts on American are uncertain but could be material.

(f) Guarantees and Indemnifications

American is a party to many routine contracts in which it provides general indemnities in the normal course of business to third parties for various risks. American is not able to estimate the potential amount of any liability resulting from the indemnities. These indemnities are discussed in the following paragraphs.

In its aircraft financing agreements, American generally indemnifies the financing parties, trustees acting on their behalf and other relevant parties against liabilities (including certain taxes) resulting from the financing, manufacture, design, ownership, operation and maintenance of the aircraft regardless of whether these liabilities (including certain taxes) relate to the negligence of the indemnified parties.

American's loan agreements and certain other financing transactions may obligate American to reimburse the applicable lender for incremental costs due to a change in law that imposes (i) any reserve or special deposit requirement against assets of, deposits with or credit extended by such lender related to the loan, (ii) any tax, duty or other charge with respect to the loan (except standard income tax) or (iii) capital adequacy requirements. In addition, American's loan agreements and other financing arrangements typically contain a withholding tax provision that requires American to pay additional amounts to the applicable lender or other financing party, generally if withholding taxes are imposed on such lender or other financing party as a result of a change in the applicable tax law.

In certain transactions, including certain aircraft financing leases and loans, the lessors, lenders and/or other parties have rights to terminate the transaction based on changes in foreign tax law, illegality or certain other events or circumstances. In such a case, American may be required to make a lump sum payment to terminate the relevant transaction.

American has general indemnity clauses in many of its airport and other real estate leases where American as lessee indemnifies the lessor (and related parties) against liabilities related to American's use of the leased property. Generally, these indemnifications cover liabilities resulting from the negligence of the indemnified parties, but not liabilities resulting from the gross negligence or willful misconduct of the indemnified parties. In addition, American provides environmental indemnities in many of these leases for contamination related to American's use of the leased property.

Under certain contracts with third parties, American indemnifies the third-party against legal liability arising out of an action by the third-party, or certain other parties. The terms of these contracts vary and the potential exposure under these indemnities cannot be determined. American has liability insurance protecting American from some of the obligations it has undertaken under these indemnities.

American is required to make principal and interest payments for certain special facility revenue bonds issued by municipalities primarily to build or improve airport facilities and purchase equipment, which are leased to American. The payment of principal and interest of certain special facility revenue bonds is guaranteed by American. As of December 31, 2025, the remaining lease payments through 2040 guaranteeing the principal and interest on these bonds are $703 million and the current carrying amount of the associated operating lease liability in the accompanying consolidated balance sheet is $427 million.

As of December 31, 2025, American had issued guarantees covering AAG's $1.8 billion aggregate principal amount of the PSP1 Promissory Note due April 2030, $1.0 billion aggregate principal amount of the PSP2 Promissory Note due January 2031 and $959 million aggregate principal amount of the PSP3 Promissory Note due April 2031.

(g) Credit Card Processing Agreements

American has agreements with companies that process customer credit card transactions for the sale of air travel and other services. American's agreements allow these credit card processing companies, under certain conditions, to hold an amount of its cash (referred to as a holdback) equal to all or a portion of advance ticket sales that have been processed by that company, but for which American has not yet provided the air transportation. These holdback requirements can be implemented at the discretion of the credit card processing companies upon the occurrence of specific events, including material adverse changes in American's financial condition or the triggering of a liquidity covenant. The imposition of holdback requirements would reduce American's liquidity.

(h) Labor Contracts

As of December 31, 2025, American employed approximately 106,000 active full-time equivalent (FTE) employees. Of the total active FTE employees, 87% are covered by CBAs with various labor unions and 1% are covered by CBAs that are currently amendable or that will become amendable within one year.

11. Supplemental Cash Flow Information

Supplemental disclosure of cash flow information and non-cash investing and financing activities are as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Non-cash investing and financing activities:			
ROU assets acquired through operating leases	$ 884	$ 614	$ 1,172
Operating leases converted to finance leases	269	293	5
Finance leases converted to operating leases	127	50	42
Property and equipment acquired through debt, finance leases and other	70	151	317
Supplemental information:			
Interest paid, net	1,551	1,806	2,058

12. Segment Disclosures

Operating segments are defined as components of an enterprise for which separate financial information is available and regularly reviewed by the chief operating decision maker (CODM) in deciding how to allocate resources and in assessing performance. American's Chief Executive Officer is considered to be its CODM. American is managed as a single operating segment that provides scheduled air transportation for passengers and cargo, and includes American's loyalty program. Along with its extensive domestic network, American provides international service to Canada, Mexico, the Caribbean, Central and South America, Europe, Qatar, China, Japan, Korea, India, Australia and New Zealand. See Note 1(m) for American's passenger revenue by geographic region. Managing the business activities on a consolidated basis allows American to benefit from an integrated revenue pricing and route network that includes American and AAG's wholly-owned and third-party regional carriers that fly under capacity purchase agreements operating as American Eagle. The flight equipment of all these carriers is combined to form one fleet that is deployed through a single route scheduling system. American's tangible assets consist primarily of flight equipment, which are mobile across geographic markets and, therefore, have not been allocated by geographic region. The measure of segment assets is reported on the balance sheet as total consolidated assets.

Financial information and operational plans and forecasts are provided to and reviewed by American's CODM at the consolidated level and are used to monitor forecast and budget versus actual results. American's CODM assesses performance and decides how to allocate resources based on net income which is reported on the statement of operations as consolidated net income. When making operational and resource allocation decisions, American's CODM is indifferent to the results on a geographic region or on a mainline and regional carrier basis. The objective in making resource allocation decisions is to maximize consolidated financial results.

13. Share-based Compensation

In May 2023, the stockholders of AAG approved the 2023 Incentive Award Plan (the 2023 Plan). The 2023 Plan replaces and supersedes AAG's 2013 Incentive Award Plan (the 2013 Plan). No further awards will be granted under the 2013 Plan; however, the terms and conditions of the 2013 Plan will continue to govern any outstanding awards granted thereunder. The 2023 Plan provides that an award may be in the form of a stock option, including an incentive stock option and nonqualified stock option, stock appreciation right, restricted stock, restricted stock unit, performance bonus award, performance stock unit, other stock or cash-based award and dividend equivalent to eligible individuals.

The 2023 Plan authorizes the grant of awards for the issuance of 17.2 million shares less any shares granted under the 2013 Plan after March 22, 2023, the date the Board of Directors of AAG approved the 2023 Plan. Any shares underlying awards granted under the 2023 Plan or 2013 Plan that are forfeited, terminate or are settled in cash (in whole or in part) without the delivery of shares will again be available for grant under the 2023 Plan.

Share-based compensation expense for American's equity awards, including awards settled in AAG common stock or cash, was $106 million, $124 million and $97 million for the years ended December 31, 2025, 2024 and 2023, respectively, and is included in salaries, wages and benefits on its consolidated statements of operations.

During 2025, 2024 and 2023, AAG withheld approximately 2.0 million, 1.6 million and 1.5 million shares of AAG common stock, respectively, and paid approximately $28 million, $27 million and $23 million, respectively, in satisfaction of certain tax withholding obligations associated with employee equity awards.

Restricted Stock Unit Awards (RSUs)

AAG has granted RSUs with service conditions (time vested primarily over three years) and performance conditions. The grant-date fair value of these RSUs is equal to the market price of the underlying shares of AAG common stock on the date of grant. For time vested awards, the expense is recognized on a straight-line basis over the vesting period for the entire award. For awards with performance conditions, the expense is recognized based on the expected achievement at each reporting period. Stock-settled RSUs are equity-classified as the vesting results in the issuance of shares of AAG common stock. Cash-settled restricted stock unit awards (CRSUs) are liability-classified as the vesting results in payment of cash by AAG.

Stock-settled RSU award activity for all plans for the years ended December 31, 2025, 2024 and 2023 is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
	(In thousands)	
Outstanding at December 31, 2022	10,263	$ 17.51
Granted	9,834	14.54
Vested and released	(5,161)	17.81
Forfeited	(701)	20.49
Outstanding at December 31, 2023	14,235	$ 15.18
Granted	2,580	15.76
Modified [1]	(2,809)	16.18
Vested and released	(4,833)	15.91
Forfeited	(827)	15.83
Outstanding at December 31, 2024	8,346	$ 15.59
Granted	5,073	14.11
Vested and released	(3,949)	15.27
Forfeited	(2,337)	15.33
Outstanding at December 31, 2025	7,133	$ 14.27

[1] In 2024, the settlement terms of 2.8 million stock-settled RSUs were modified from settlement in AAG common stock to settlement in cash. This change in award settlement method was the only modification to these awards, and the vesting, forfeiture and all other terms and conditions were unchanged. The modification resulted in a $20 million reclassification from additional paid-in capital to accrued salaries and wages on American's consolidated balance sheet.

As of December 31, 2025, there was $51 million of unrecognized compensation cost related to stock-settled RSUs. These costs are expected to be recognized over a weighted average period of one year. The total fair value of stock-settled RSUs vested during the years ended December 31, 2025, 2024 and 2023 was $57 million, $69 million and $78 million, respectively.

CRSU award activity for all plans for the years ended December 31, 2025 and 2024 is as follows:

	Number of Shares	Weighted Average Fair Value
	(In thousands)	
Outstanding at December 31, 2023	37	$ 13.74
Granted	5,634	17.43
Modified [1]	2,809	16.18
Vested and released	(1,337)	14.75
Forfeited	(136)	17.42
Outstanding at December 31, 2024	7,007	$ 17.43
Granted	6,009	15.33
Vested and released	(2,606)	16.43
Forfeited	(547)	15.60
Outstanding at December 31, 2025	9,863	$ 15.33

[1] In 2024, the settlement terms of 2.8 million stock-settled RSUs were modified from settlement in AAG common stock to settlement in cash. See table above for further discussion.

As of December 31, 2025 and 2024, the liability related to CRSUs was $53 million and $39 million, respectively. The CRSU related liability is remeasured at fair value at each reporting date until all awards are vested. As of December 31, 2025, there was $91 million of unrecognized compensation cost related to CRSUs. These costs are expected to be recognized over a weighted average period of one year. The total cash paid for CRSUs vested during the years ended December 31, 2025 and 2024 was $37 million and $18 million, respectively.

For the year ended December 31, 2023, CRSU award activity was nominal.

14. Valuation and Qualifying Accounts (in millions)

	Balance at Beginning of Year	Additions Charged to Statement of Operations Accounts	Deductions and Other	Balance at End of Year
Allowance for obsolescence of spare parts				
Year ended December 31, 2025	$ 745	$ 95	$ 5	$ 845
Year ended December 31, 2024	675	94	(24)	745
Year ended December 31, 2023	566	83	26	675

15. Transactions with Related Parties

The following represents the net receivables (payables) from or to related parties (in millions):

	December 31,	
	2025	2024
AAG [1]	$ 11,938	$ 10,258
AAG's wholly-owned subsidiaries [2]	(2,042)	(2,071)
Total	$ 9,896	$ 8,187

[1] The increase in American's net related party receivable from AAG is due in part to American providing the cash funding for AAG's financing transactions, including the $1.0 billion cash settlement of AAG's 6.50% convertible senior notes upon their maturity on July 1, 2025.

[2] The net payable to AAG's wholly-owned subsidiaries consists primarily of amounts due under regional capacity purchase agreements with AAG's wholly-owned regional airlines operating under the brand name of American Eagle.

Pursuant to a capacity purchase agreement between American and AAG's wholly-owned regional airlines operating as American Eagle, American purchases all of the capacity from these carriers and recognizes passenger revenue from flights operated by American Eagle. In 2025, 2024 and 2023, American recognized expense of approximately $3.2 billion, $2.9 billion and $2.7 billion, respectively, related to wholly-owned regional airline capacity purchase agreements.

16. Subsequent Events

8.50% Senior Secured Notes

In the first quarter of 2026, American sent irrevocable notice of redemption to prepay the outstanding principal amount of its 8.50% Senior Secured Notes. American intends to fund these prepayments with proceeds from anticipated debt issuances and cash on hand.

AAdvantage Financing

On February 12, 2026, the AAdvantage Issuers entered into a fourth amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Fourth Amendment). As a result of the Fourth Amendment, the term loans outstanding under the 2025 AAdvantage Term Loan Facility were replaced with new term loans in the same principal amount. Pursuant to the Fourth Amendment, the 2025 AAdvantage Term Loan Facility bears interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 1.75% per annum or, at the AAdvantage Issuers' option, the SOFR rate for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 2.75% per annum. All other terms of the 2025 AAdvantage Term Loan Facility remain substantially similar.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Management's Evaluation of Disclosure Controls and Procedures

The term "disclosure controls and procedures" is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act). This term refers to the controls and procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified by the SEC's rules and forms, and is accumulated and communicated to the company's management, including the principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. An evaluation of the effectiveness of AAG's and American's disclosure controls and procedures as of December 31, 2025 was performed under the supervision and with the participation of AAG's and American's management, including AAG's and American's principal executive officer, the Chief Executive Officer (CEO), and principal financial officer, the Chief Financial Officer (CFO). Based on that evaluation, AAG's and American's management, including AAG's and American's CEO and CFO, concluded that AAG's and American's disclosure controls and procedures were effective as of December 31, 2025 at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

During the quarter ended December 31, 2025, there have been no changes in AAG's or American's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, AAG's and American's internal control over financial reporting.

Limitation on the Effectiveness of Controls

We believe that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives, and, as noted above, the CEO and CFO of AAG and American believe that our disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2025.

Management's Annual Report on Internal Control over Financial Reporting

Management of AAG and American is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. AAG's and American's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. AAG's and American's internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of AAG or American, respectively;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of AAG or American are being made only in accordance with authorizations of management and directors of AAG or American, respectively; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of AAG's or American's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of AAG's and American's internal control over financial reporting as of December 31, 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in its Internal Control – Integrated Framework (2013 Framework).

Based on our assessment and those criteria, AAG's and American's management concluded that AAG and American, respectively, maintained effective internal control over financial reporting as of December 31, 2025.

AAG's and American's independent registered public accounting firm has issued an attestation report on the effectiveness of AAG's and American's internal control over financial reporting. That report has been included herein.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
American Airlines Group Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited American Airlines Group Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, cash flows, and stockholders' deficit for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements), and our report dated February 18, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Dallas, Texas
February 18, 2026

Report of Independent Registered Public Accounting Firm

To the Stockholder and Board of Directors
American Airlines, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited American Airlines, Inc. and subsidiaries' (American) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, American maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of American as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, cash flows, and stockholder's equity for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements), and our report dated February 18, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

American's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on American's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to American in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Dallas, Texas
February 18, 2026

ITEM 9B. OTHER INFORMATION

Securities Trading Plans of Directors and Executive Officers

During the quarter ended December 31, 2025, none of our directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of AAG securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not Applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Except as stated below, the information required by this Item will be set forth in the Proxy Statement under the captions "Proposal 1 – Election of Directors," "Executive Officers," "Board Composition" and "Information About the Board of Directors and Corporate Governance" and is incorporated by reference into this Annual Report on Form 10-K.

AAG and American have adopted an Amended and Restated Insider Trading Compliance Policy that governs the purchase, sale and/or other dispositions of our securities by directors, officers and employees that is reasonably designed to promote compliance with insider trading laws, rules and regulations and NASDAQ listing standards. A copy of our Amended and Restated Insider Trading Compliance Policy is filed as Exhibit 19.1 to this report.

AAG and American have adopted Standards of Business Conduct (the Ethics Standards) within the meaning of Item 406(b) of Regulation S-K. The Ethics Standards apply to all officers and employees of AAG and its subsidiaries, including American. The Ethics Standards are available on our website at *www.aa.com*. If we make substantive amendments to the Ethics Standards or grant any waiver, including any implicit waiver, to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, we will disclose the nature of such amendment or waiver on our website or in a Current Report on Form 8-K in accordance with applicable rules and regulations.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item will be set forth in the Proxy Statement under the captions "Information About the Board of Directors and Corporate Governance - Risk Assessment with Respect to Compensation Practices," "Director Compensation," "Compensation Discussion and Analysis," "Executive Compensation" and "Report of the Compensation Committee of the Board of Directors" and is incorporated by reference into this Annual Report on Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item will be set forth in the Proxy Statement under the captions "Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plan Information" and is incorporated by reference into this Annual Report on Form 10-K.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item will be set forth in the Proxy Statement under the captions "Certain Relationships and Related Party Transactions" and "Information About the Board of Directors and Corporate Governance" and is incorporated by reference into this Annual Report on Form 10-K.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item will be set forth in the Proxy Statement under the caption "Proposal 2 – Ratification of Appointment of Independent Registered Public Accounting Firm" and is incorporated by reference into this Annual Report on Form 10-K.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Consolidated Financial Statements

The following consolidated financial statements of American Airlines Group Inc. and Independent Auditors' Report are filed as part of this report:

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Report of Independent Registered Public Accounting Firm (KPMG LLP, Dallas, TX, Auditor Firm ID: 185)	81
Consolidated Statements of Operations for the Years Ended December 31, 2025, 2024 and 2023	83
Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2025, 2024 and 2023	84
Consolidated Balance Sheets at December 31, 2025 and 2024	85
Consolidated Statements of Cash Flows for the Years Ended December 31, 2025, 2024 and 2023	86
Consolidated Statements of Stockholders' Deficit for the Years Ended December 31, 2025, 2024 and 2023	87
Notes to Consolidated Financial Statements	88

The following consolidated financial statements of American Airlines, Inc. and Independent Auditors' Report are filed as part of this report:

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Report of Independent Registered Public Accounting Firm (KPMG LLP, Dallas, TX, Auditor Firm ID: 185)	126
Consolidated Statements of Operations for the Years Ended December 31, 2025, 2024 and 2023	128
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Consolidated Statements of Cash Flows for the Years Ended December 31, 2025, 2024 and 2023	131
Consolidated Statements of Stockholder's Equity for the Years Ended December 31, 2025, 2024 and 2023	132
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Schedules not included have been omitted because they are not applicable or because the required information is included in the Consolidated Financial Statements or notes thereto.

Exhibits

Exhibits required to be filed by Item 601 of Regulation S-K: Where the amount of securities authorized to be issued under any of our long-term debt agreements does not exceed 10% of our assets, pursuant to paragraph (b)(4) of Item 601 of Regulation S-K, in lieu of filing such as an exhibit, we hereby agree to furnish to the Commission upon request a copy of any agreement with respect to such long-term debt.

Exhibit Number	Description
2.1	Confirmation Order and Plan (incorporated by reference to Exhibit 2.1 to AMR's Current Report on Form 8-K filed on October 23, 2013 (Commission File No. 1-8400)).
2.2	Agreement and Plan of Merger, dated as of December 28, 2015, between American Airlines, Inc. and US Airways, Inc. (incorporated by reference to Exhibit 2.1 to AAG's Current Report on Form 8-K filed on December 31, 2015 (Commission File No. 1-8400)).
3.1	Restated Certificate of Incorporation of American Airlines Group Inc., including the Certificate of Designations, Powers, Preferences and Rights of the American Airlines Group Inc. Series A Convertible Preferred Stock attached as Annex I thereto (incorporated by reference to Exhibit 3.1 to AAG's Current Report on Form 8-K filed on December 9, 2013 (Commission File No. 1-8400)).
3.2	Certificate of Amendment of Restated Certificate of Incorporation of American Airlines Group Inc. (incorporated by reference to Exhibit 3.1 to AAG's Current Report on Form 8-K filed on June 13, 2018 (Commission File No. 1-8400)).
3.3	Fifth Amended and Restated Bylaws of American Airlines Group Inc. (incorporated by reference to Exhibit 3.1 to American Airlines Group Inc.'s Current Report on Form 8-K filed on August 7, 2025 (Commission File No. 1-8400)).
3.4	Amended and Restated Certificate of Incorporation of American Airlines, Inc. (incorporated by reference to Exhibit 3.3 to AAG's Annual Report on Form 10-K for the year ended December 31, 2013 (Commission File No. 1-8400)).
3.5	Amended and Restated Bylaws of American Airlines, Inc. (incorporated by reference to Exhibit 3.4 to AAG's Annual Report on Form 10-K for the year ended December 31, 2013 (Commission File No. 1-8400)).
3.6	Certificate of Designations of Series B Junior Participating Preferred Stock of American Airlines Group Inc., filed with the Secretary of State of the State of Delaware on December 21, 2021 (incorporated by reference to Exhibit 3.1 to AAG's Current Report on Form 8-K filed on December 22, 2021 (Commission File No. 1-8400)).
4.1	Description of securities registered under Section 12 of the Exchange Act (incorporated by reference to Exhibit 4.1 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).
4.2	Pass Through Trust Agreement, dated as of September 16, 2014, between American Airlines, Inc. and Wilmington Trust Company, as Trustee (incorporated by reference to Exhibit 4.1 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).
4.3	Trust Supplement No. 2014-1A, dated as of September 16, 2014, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).
4.4	Trust Supplement No. 2014-1B, dated as of September 16, 2014, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).
4.5	Intercreditor Agreement (2014-1), dated as of September 16, 2014, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2014-1A and as Trustee of the American Airlines Pass Through Trust 2014-1B, Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).
4.6	Amendment No. 1 to Intercreditor Agreement (2014-1), dated as of June 24, 2015, among American Airlines, Inc., Credit Agricole Corporate and Investment Bank, as Class A and Class B liquidity provider and Wilmington Trust Company, as subordination agent and trustee (incorporated by reference to Exhibit 10.6 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 (Commission File No. 1-8400)).
4.7	Note Purchase Agreement, dated as of September 16, 2014, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.9 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).

Exhibit Number	Description
4.8	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (Exhibit B to Note Purchase Agreement) (incorporated by reference to Exhibit 4.10 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).
4.9	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (Exhibit C to Note Purchase Agreement) (incorporated by reference to Exhibit 4.11 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).
4.10	Revolving Credit Agreement (2014-1A), dated as of September 16, 2014, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2014-1A, as Borrower, and Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).
4.11	Revolving Credit Agreement (2014-1B), dated as of September 16, 2014, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2014-1B, as Borrower, and Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.15 to American's Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 1-2691)).
4.12	Trust Supplement No. 2015-1A, dated as of March 16, 2015, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.13	Trust Supplement No. 2015-1B, dated as of March 16, 2015, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.14	Intercreditor Agreement (2015-1), dated as of March 16, 2015, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2015-1A and as Trustee of the American Airlines Pass Through Trust 2015-1B, Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.15	Note Purchase Agreement, dated as of March 16, 2015, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.9 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.16	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit 4.10 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.17	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit 4.11 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.18	Form of Pass Through Trust Certificate, Series 2015-1A (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.19	Form of Pass Through Trust Certificate, Series 2015-1B (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.20	Revolving Credit Agreement (2015-1A), dated as of March 16, 2015, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2015-1A, as Borrower, and Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).
4.21	Revolving Credit Agreement (2015-1B), dated as of March 16, 2015, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2015-1B, as Borrower, and Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.15 to American's Current Report on Form 8-K filed on March 16, 2015 (Commission File No. 1-2691)).

Exhibit Number	Description
4.22	Trust Supplement No. 2015-2AA, dated as of September 24, 2015, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.23	Trust Supplement No. 2015-2A, dated as of September 24, 2015, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.24	Trust Supplement No. 2015-2B, dated as of September 24, 2015, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.25	Intercreditor Agreement (2015-2), dated as of September 24, 2015, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2015-2AA, as Trustee of the American Airlines Pass Through Trust 2015-2A and as Trustee of the American Airlines Pass Through Trust 2015-2B, Commonwealth Bank of Australia, New York Branch, as Class AA Liquidity Provider, Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.5 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.26	Note Purchase Agreement, dated as of September 24, 2015, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.6 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.27	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.6 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.28	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.6 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.29	Form of Pass Through Trust Certificate, Series 2015-2AA (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.30	Form of Pass Through Trust Certificate, Series 2015-2A (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.31	Form of Pass Through Trust Certificate, Series 2015-2B (incorporated by reference to Exhibit A to Exhibit 4.4 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.32	Revolving Credit Agreement (2015-2AA), dated as of September 24, 2015, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2015-2AA, as Borrower, and Commonwealth Bank of Australia, New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.12 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.33	Revolving Credit Agreement (2015-2A), dated as of September 24, 2015, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2015-2A, as Borrower, and Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.13 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.34	Revolving Credit Agreement (2015-2B), dated as of September 24, 2015, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2015-2B, as Borrower, and Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on September 24, 2015 (Commission File No. 1-2691)).
4.35	Assumption Agreement, dated as of December 30, 2015, by American Airlines, Inc. for the benefit of Wilmington Trust Company, as pass through trustee, subordination agent, and paying agent, and Wilmington Trust, National Association, as escrow agent, in each case, under the Note Purchase Agreement, dated as of April 24, 2013, among American Airlines, Inc. (as successor in interest to US Airways, Inc.), Wilmington Trust Company, Wilmington Trust, National Association and Wilmington Trust Company (incorporated by reference to Exhibit 10.2 to AAG's Current Report on Form 8-K filed on December 31, 2015 (Commission File No. 1-8400)).

Exhibit Number	Description
4.36	Trust Supplement No. 2016-1AA, dated as of January 19, 2016, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.37	Trust Supplement No. 2016-1A, dated as of January 19, 2016, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.38	Trust Supplement No. 2016-1B, dated as of January 19, 2016, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.39	Intercreditor Agreement (2016-1), dated as of January 19, 2016, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2016-1AA, as Trustee of the American Airlines Pass Through Trust 2016-1A and as Trustee of the American Airlines Pass Through Trust 2016-1B, KfW IPEX-Bank GmbH, as Class AA Liquidity Provider, Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to exhibit 4.5 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.40	Note Purchase Agreement, dated as of January 19, 2016, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.6 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.41	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.6 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.42	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.6 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.43	Form of Pass Through Trust Certificate, Series 2016-1AA (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.44	Form of Pass Through Trust Certificate, Series 2016-1A (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.45	Form of Pass Through Trust Certificate, Series 2016-1B (incorporated by reference to Exhibit A to Exhibit 4.4 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.46	Revolving Credit Agreement (2016-1AA), dated as of January 19, 2016, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-1AA, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider (incorporated by reference to Exhibit 4.12 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.47	Revolving Credit Agreement (2016-1A), dated as of January 19, 2016, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-1A, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider (incorporated by reference to Exhibit 4.13 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.48	Revolving Credit Agreement (2016-1B), dated as of January 19, 2016, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-1B, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on January 21, 2016 (Commission File No. 1-2691)).
4.49	Trust Supplement No. 2016-2AA, dated as of May 16, 2016, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.50	Trust Supplement No. 2016-2A, dated as of May 16, 2016, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).

Exhibit Number	Description
4.51	Intercreditor Agreement (2016-2), dated as of May 16, 2016, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2016-2AA and as Trustee of the American Airlines Pass Through Trust 2016-2A, KfW IPEX-Bank GmbH, as Class AA Liquidity Provider and Class A Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.52	Note Purchase Agreement, dated as of May 16, 2016, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.9 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.53	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.9 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.54	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.9 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.55	Form of Pass Through Trust Certificate, Series 2016-2AA (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.56	Form of Pass Through Trust Certificate, Series 2016-2A (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.57	Revolving Credit Agreement (2016-2AA), dated as of May 16, 2016, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-2AA, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.58	Revolving Credit Agreement (2016-2A), dated as of May 16, 2016, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-2A, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider (incorporated by reference to Exhibit 4.15 to American's Current Report on Form 8-K filed on May 17, 2016 (Commission File No. 1-2691)).
4.59	Trust Supplement No. 2016-2B, dated as of July 8, 2016, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).
4.60	Amended and Restated Intercreditor Agreement (2016-2), dated as of July 8, 2016, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2016-2AA, as Trustee of the American Airlines Pass Through Trust 2016-2A and as Trustee of the American Airlines Pass Through Trust 2016-2B, KfW IPEX-Bank GmbH, as Class AA Liquidity Provider, Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).
4.61	Amended and Restated Note Purchase Agreement, dated as of July 8, 2016, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.6 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).
4.62	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.6 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).
4.63	Form of First Amendment to Participation Agreement (First Amendment to Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit D to Exhibit 4.6 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).
4.64	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.6 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).

Exhibit Number	Description
4.65	Form of First Amendment to Indenture and Security Agreement (First Amendment to Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit E to Exhibit 4.6 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).
4.66	Form of Pass Through Trust Certificate, Series 2016-2B (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).
4.67	Revolving Credit Agreement (2016-2B), dated as of July 8, 2016, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-2B, as Borrower, and KfW IPEX Bank GmbH, as Liquidity Provider (incorporated by reference to Exhibit 4.12 to American's Current Report on Form 8-K filed on July 12, 2016 (Commission File No. 1-2691)).
4.68	Trust Supplement No. 2016-3AA, dated as of October 3, 2016, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.69	Trust Supplement No. 2016-3A, dated as of October 3, 2016, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.70	Intercreditor Agreement (2016-3), dated as of October 3, 2016, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2016-3AA and as Trustee of the American Airlines Pass Through Trust 2016-3A, KfW IPEX-Bank GmbH, as Class AA Liquidity Provider and Class A Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.71	Amended and Restated Intercreditor Agreement (2016-3), dated as of October 4, 2017, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2016-3AA, as Trustee of the American Airlines Pass Through Trust 2016-3A and as Trustee of the American Airlines Pass Through Trust 2016-3B, KfW IPEX-Bank GmbH, as Class AA Liquidity Provider, Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on October 5, 2017 (Commission File No. 1-2691)).
4.72	Note Purchase Agreement, dated as of October 3, 2016, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.9 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.73	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.9 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.74	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.9 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.75	Form of Pass Through Trust Certificate, Series 2016-3AA (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.76	Form of Pass Through Trust Certificate, Series 2016-3A (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.77	Revolving Credit Agreement (2016-3AA), dated as of October 3, 2016, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-3AA, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.78	Revolving Credit Agreement (2016-3A), dated as of October 3, 2016, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-3A, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider (incorporated by reference to Exhibit 4.15 to American's Current Report on Form 8-K filed on October 4, 2016 (Commission File No. 1-2691)).
4.79	Trust Supplement No. 2017-1AA, dated as of January 13, 2017, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).

Exhibit Number	Description
4.80	Trust Supplement No. 2017-1A, dated as of January 13, 2017, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014, (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.81	Trust Supplement No. 2017-1B, dated as of January 13, 2017, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.82	Intercreditor Agreement (2017-1), dated as of January 13, 2017, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2017-1AA, as Trustee of the American Airlines Pass Through Trust 2017-1A and as Trustee of the American Airlines Pass Through Trust 2017-1B, Citibank N.A., as Class AA Liquidity Provider, Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.5 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.83	Note Purchase Agreement, dated as of January 13, 2017, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.12 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.84	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.12 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.85	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.12 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.86	Form of Pass Through Trust Certificate, Series 2017-1AA (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.87	Form of Pass Through Trust Certificate, Series 2017-1A (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.88	Form of Pass Through Trust Certificate, Series 2017-1B (incorporated by reference to Exhibit A to Exhibit 4.4 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.89	Revolving Credit Agreement (2017-1AA), dated as of January 13, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-1AA, as Borrower, and Citibank N.A., as Liquidity Provider (incorporated by reference to Exhibit 4.18 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.90	Revolving Credit Agreement (2017-1A), dated as of January 13, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-1A, as Borrower, and Citibank N.A., as Liquidity Provider (incorporated by reference to Exhibit 4.19 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.91	Revolving Credit Agreement (2017-1B), dated as of January 13, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-1B, as Borrower, and Citibank N.A., as Liquidity Provider (incorporated by reference to Exhibit 4.20 to American's Current Report on Form 8-K filed on January 17, 2017 (Commission File No. 1-02691)).
4.92	Acknowledgment and Agreement (2017-1), dated as of March 31, 2017, by and among American Airlines Inc., Citibank, N.A., as initial Liquidity Provider, National Australia Bank Limited, as Replacement Liquidity Provider, and Wilmington Trust Company, as Subordination Agent and trustee (incorporated by reference to Exhibit 4.20 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (Commission File No. 1-8400)).
4.93	Revolving Credit Agreement (2017-1AA), dated as of March 31, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-1AA, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.21 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (Commission File No. 1-8400)).
4.94	Revolving Credit Agreement (2017-1A), dated as of March 31, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-1A, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.22 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (Commission File No. 1-8400)).

Exhibit Number	Description
4.95	Revolving Credit Agreement (2017-1B), dated as of March 31, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-1B, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.23 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (Commission File No. 1-8400)).
4.96	Trust Supplement No. 2017-2AA, dated as of August 14, 2017, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.97	Trust Supplement No. 2017-2A, dated as of August 14, 2017, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.98	Intercreditor Agreement (2017-2), dated as of August 14, 2017, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2017-2AA and as Trustee of the American Airlines Pass Through Trust 2017-2A, National Australia Bank Limited, as Class AA Liquidity Provider and Class A Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.99	Note Purchase Agreement, dated as of August 14, 2017, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.9 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.100	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.9 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.101	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.9 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.102	Form of Pass Through Trust Certificate, Series 2017-2AA (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.103	Form of Pass Through Trust Certificate, Series 2017-2A (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.104	Revolving Credit Agreement (2017-2AA), dated as of August 14, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-2AA, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.105	Revolving Credit Agreement (2017-2A), dated as of August 14, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-2A, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.15 to American's Current Report on Form 8-K filed on August 14, 2017 (Commission File No. 1-2691)).
4.106	Trust Supplement No. 2016-3B, dated as of October 4, 2017, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on October 5, 2017 (Commission File No. 1-2691)).
4.107	Amended and Restated Note Purchase Agreement, dated as of October 4, 2017, amending the Note Purchase Agreement, dated as of October 3, 2016, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on October 5, 2017 (Commission File No. 1-2691)).
4.108	Form of First Amendment to Participation Agreement (First Amendment to Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit A to Exhibit 4.4 to American's Current Report on Form 8-K filed on October 5, 2017 (Commission File No. 1-2691)).

Exhibit Number	Description
4.109	Form of First Amendment to Indenture and Security Agreement (First Amendment to Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit E to Exhibit 4.6 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.110	Form of First Amendment to Indenture and Security Agreement (First Amendment to Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit B to Exhibit 4.4 to American's Current Report on Form 8-K filed on October 5, 2017 (Commission File No. 1-2691)).
4.111	Form of Pass Through Trust Certificate, Series 2016-3B (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on October 5, 2017 (Commission File No. 1-2691)).
4.112	Revolving Credit Agreement (2016-3B), dated as of October 4, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2016-3B, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider 3B (incorporated by reference to Exhibit 4.8 to American's Current Report on Form 8-K filed on October 5, 2017 (Commission File No. 1-2691)).
4.113	Trust Supplement No. 2017-2B, dated as of October 5, 2017, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.114	Amended and Restated Intercreditor Agreement (2017-2), dated as of October 5, 2017, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2017-2AA, as Trustee of the American Airlines Pass Through Trust 2017-2A and as Trustee of the American Airlines Pass Through Trust 2017-2B, National Australia Bank Limited, as Class AA Liquidity Provider, Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.115	Amended and Restated Note Purchase Agreement, dated as of October 5, 2017, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.6 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.116	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.6 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.117	Form of First Amendment to Participation Agreement (First Amendment to Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit D to Exhibit 4.6 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.118	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.6 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.119	Form of Pass Through Trust Certificate, Series 2017-2B (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.120	Revolving Credit Agreement (2017-2B), dated as of October 5, 2017, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2017-2B, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.12 to American's Current Report on Form 8-K filed on October 6, 2017 (Commission File No. 1-2691)).
4.121	Trust Supplement No. 2019-1AA, dated as of August 15, 2019, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.122	Trust Supplement No. 2019-1A, dated as of August 15, 2019, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.123	Trust Supplement No. 2019-1B, dated as of August 15, 2019, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).

Exhibit Number	Description
4.124	Intercreditor Agreement (2019-1), dated as of August 15, 2019, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2019-1AA, as Trustee of the American Airlines Pass Through Trust 2019-1A and as Trustee of the American Airlines Pass Through Trust 2019-1B, National Australia Bank Limited, as Class AA Liquidity Provider, Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.5 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.125	Note Purchase Agreement, dated as of August 15, 2019, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.12 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.126	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.12 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.127	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.12 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.128	Form of Pass Through Trust Certificate, Series 2019-1AA (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.129	Form of Pass Through Trust Certificate, Series 2019-1A (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.130	Form of Pass Through Trust Certificate, Series 2019-1B (incorporated by reference to Exhibit A to Exhibit 4.4 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.131	Revolving Credit Agreement (2019-1AA), dated as of August 15, 2019, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2019-1AA, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.18 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.132	Revolving Credit Agreement (2019-1A), dated as of August 15, 2019, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2019-1A, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.19 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.133	Revolving Credit Agreement (2019-1B), dated as of August 15, 2019, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2019-1B, as Borrower, and National Australia Bank Limited, as Liquidity Provider (incorporated by reference to Exhibit 4.20 to American's Current Report on Form 8-K filed on August 15, 2019 (Commission File No. 1-02691)).
4.134	Trust Supplement No. 2021-1A, dated as of November 8, 2021, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.135	Trust Supplement No. 2021-1B, dated as of November 8, 2021, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.136	Intercreditor Agreement (2021-1), dated as of November 8, 2021, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2021-1A and as Trustee of the American Airlines Pass Through Trust 2021-1B, Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.137	Note Purchase Agreement, dated as of November 8, 2021, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.9 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).

Exhibit Number	Description
4.138	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit B to Exhibit 4.9 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.139	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit C to Exhibit 4.9 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.140	Form of Pass Through Trust Certificate, Series 2021-1A (incorporated by reference to Exhibit A to Exhibit 4.2 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.141	Form of Pass Through Trust Certificate, Series 2021-1B (incorporated by reference to Exhibit A to Exhibit 4.3 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.142	Revolving Credit Agreement (2021-1A), dated as of November 8, 2021, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2021-1A, as Borrower, and Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.143	Revolving Credit Agreement (2021-1B), dated as of November 8, 2021, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2021-1B, as Borrower, and Crédit Agricole Corporate and Investment Bank, acting through its New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.15 to American's Current Report on Form 8-K filed on November 12, 2021 (Commission File No. 1-02691)).
4.144	Trust Supplement No. 2025-1A, dated as of November 12, 2025, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.2 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.145	Trust Supplement No. 2025-1B, dated as of November 12, 2025, between American Airlines, Inc. and Wilmington Trust Company, as Trustee, to the Pass Through Trust Agreement, dated as of September 16, 2014 (incorporated by reference to Exhibit 4.3 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.146	Intercreditor Agreement (2025-1), dated as of November 12, 2025, among Wilmington Trust Company, as Trustee of the American Airlines Pass Through Trust 2025-1A and as Trustee of the American Airlines Pass Through Trust 2025-1B, Natixis, New York Branch, as Class A Liquidity Provider and Class B Liquidity Provider, and Wilmington Trust Company, as Subordination Agent (incorporated by reference to Exhibit 4.4 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.147	Deposit Agreement (Class A), dated as of November 12, 2025, between Wilmington Trust, National Association, as Escrow Agent, and Sumitomo Mitsui Banking Corporation, acting through its New York Branch, as Depositary (incorporated by reference to Exhibit 4.5 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.148	Deposit Agreement (Class B), dated as of November 12, 2025, between Wilmington Trust, National Association, as Escrow Agent, and Sumitomo Mitsui Banking Corporation, acting through its New York Branch, as Depositary (incorporated by reference to Exhibit 4.6 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.149	Escrow and Paying Agent Agreement (Class A), dated as of November 12, 2025, among Wilmington Trust, National Association, as Escrow Agent, J.P. Morgan Securities LLC and Deutsche Bank Securities, Inc., for themselves and on behalf of the several Underwriters, Wilmington Trust Company, not in its individual capacity, but solely as Pass Through Trustee for and on behalf of American Airlines Pass Through Trust 2025-1A, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.7 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.150	Escrow and Paying Agent Agreement (Class B), dated as of November 12, 2025, among Wilmington Trust, National Association, as Escrow Agent, J.P. Morgan Securities LLC and Deutsche Bank Securities, Inc., for themselves and on behalf of the several Underwriters, Wilmington Trust Company, not in its individual capacity, but solely as Pass Through Trustee for and on behalf of American Airlines Pass Through Trust 2025-1B, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.8 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).

Exhibit Number	Description
4.151	Note Purchase Agreement, dated as of November 12, 2025, among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust, National Association, as Escrow Agent, and Wilmington Trust Company, as Paying Agent (incorporated by reference to Exhibit 4.9 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.152	Form of Participation Agreement (Participation Agreement among American Airlines, Inc., Wilmington Trust Company, as Pass Through Trustee under each of the Pass Through Trust Agreements, Wilmington Trust Company, as Subordination Agent, Wilmington Trust Company, as Loan Trustee, and Wilmington Trust Company, in its individual capacity as set forth therein) (incorporated by reference to Exhibit 4.10 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.153	Form of Indenture and Security Agreement (Indenture and Security Agreement between American Airlines, Inc., and Wilmington Trust Company, as Loan Trustee) (incorporated by reference to Exhibit 4.11 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.154	Form of Pass Through Trust Certificate, Series 2025-1A (incorporated by reference to Exhibit 4.12 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.155	Form of Pass Through Trust Certificate, Series 2025-1B (incorporated by reference to Exhibit 4.13 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.156	Revolving Credit Agreement (2025-1A), dated as of November 12, 2025, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2025-1A, as Borrower, and Natixis, New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.14 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.157	Revolving Credit Agreement (2025-1B), dated as of November 12, 2025, between Wilmington Trust Company, as Subordination Agent, as agent and trustee for the trustee of the American Airlines Pass Through Trust 2025-1B, as Borrower, and Natixis, New York Branch, as Liquidity Provider (incorporated by reference to Exhibit 4.15 to American's Current Report on Form 8-K filed on November 13, 2025 (Commission File No. 001-02691)).
4.158	Warrant Agreement, dated as of April 20, 2020, between American Airlines Group, Inc. and the United States Department of the Treasury (incorporated by reference to Exhibit 4.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (Commission File No. 1-8400)).
4.159	Form of PSP1 Warrant (incorporated by reference to Annex B to Exhibit 4.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (Commission File No. 1-8400)).
4.160	Warrant Agreement, dated as of September 25, 2020, between American Airlines Group, Inc. and the United States Department of the Treasury (incorporated by reference to Exhibit 4.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 (Commission File No. 1-8400)).
4.161	Form of Treasury Loan Warrant (incorporated by reference to Annex B to Exhibit 4.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 (Commission File No. 1-8400)).
4.162	Warrant Agreement, dated as of January 15, 2021, between American Airlines Group, Inc. and the United States Department of the Treasury (incorporated by reference to Exhibit 4.182 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).
4.163	Form of PSP2 Warrant (incorporated by reference to Annex B to Exhibit 4.182).
4.164	Warrant Agreement, dated as of April 23, 2021, between American Airlines Group Inc. and the United States Department of the Treasury (incorporated by reference to Exhibit 4.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (Commission File No. 1-8400)).
4.165	Form of PSP3 Warrant (incorporated by reference to Annex B to Exhibit 4.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (Commission File No. 1-8400)).
4.166	Indenture, dated as of March 24, 2021, by and among American Airlines, Inc., AAdvantage Loyalty IP Ltd., American Airlines Group Inc., AAdvantage Holdings 1, Ltd. and AAdvantage Holdings 2, Ltd. and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).
4.167	First Supplemental Indenture, dated as of August 27, 2021, among Madrid IP Lux GP S.à r.l., Madrid IP Lux Holdco SCS, Madrid IP Lux Holdco 2 SCS, AAdvantage Loyalty IP Ltd., American Airlines, Inc. and Wilmington Trust, National Association, as trustee, to the Indenture dated as of March 24, 2021.
4.168	Form of 5.50% Senior Secured Notes due 2026 (incorporated by reference as Exhibit A-1 to Exhibit 4.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).
4.169	Form of 5.75% Senior Secured Notes due 2029 (incorporated by reference as Exhibit A-2 to Exhibit 4.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).

Exhibit Number	Description
4.170	Indenture, dated as of February 15, 2023, by and among American Airlines, Inc., American Airlines Group Inc. and Wilmington Trust, National Association, as trustee and as collateral agent (incorporated by reference to Exhibit 4.1 to AAG's Current Report on Form 8-K filed on February 15, 2023 (Commission File No. 1-8400)).
4.171	Form of 7.25% Senior Secured Notes due 2028 (incorporated by reference to Exhibit A to Exhibit 4.1 of AAG's Current Report on Form 8-K filed on February 15, 2023 (Commission File No. 1-8400)).
4.172	Indenture, dated as of December 4, 2023, by and among American Airlines, Inc., American Airlines Group Inc. and Wilmington Trust, National Association, as trustee and as collateral trustee (incorporated by reference to Exhibit 4.1 to AAG's Current Report on Form 8-K filed on December 4, 2023 (Commission File No. 1-8400)).
4.173	Form of 8.50% Senior Secured Notes due 2029 (incorporated by reference to Exhibit A to Exhibit 4.1 of AAG's Current Report on Form 8-K filed on December 4, 2023 (Commission File No. 1-8400)).
4.174	Tax Benefit Preservation Plan, dated as of December 21, 2021, between American Airlines Group Inc. and American Stock Transfer & Trust Company, LLC, which includes the Form of Certificate of Designations of Series B Junior Participating Preferred Stock as Exhibit A, the Form of Right Certificate as Exhibit B and the Summary of Rights to Purchase Preferred Shares as Exhibit C (incorporated by reference to Exhibit 4.1 to AAG's Current Report on Form 8-K filed on December 22, 2021 (Commission File No. 1-8400)).
4.175	Amendment No. 1 to the Tax Benefit Preservation Plan, dated as of October 31, 2024, by and between American Airlines Group Inc. and Equiniti Trust Company, LLC, as rights agent. (incorporated by reference to Exhibit 4.1 to AAG's Current Report on Form 8-K filed on November 1, 2024 (Commission File No. 1-8400)).
10.1	Payroll Support Program Agreement, dated as of April 20, 2020, between American Airlines, Inc. and the United States Department of the Treasury (incorporated by reference to Exhibit 10.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (Commission File No. 1-8400)).
10.2	Promissory Note, dated as of April 20, 2020, issued by American Airlines Group Inc. in the name of the United States Department of the Treasury and guaranteed by American Airlines, Inc., Envoy Air Inc., Piedmont Airlines, Inc. and PSA Airlines, Inc. (incorporated by reference to Exhibit 10.6 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (Commission File No. 1-8400)).
10.3	Payroll Support Program Extension Agreement, dated as of January 15, 2021, between American Airlines, Inc. and the United States Department of the Treasury (incorporated by reference to Exhibit 10.3 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).
10.4	Promissory Note, dated as of January 15, 2021, issued by American Airlines Group Inc. in the name of the United States Department of the Treasury and guaranteed by American Airlines, Inc., Envoy Air Inc., Piedmont Airlines, Inc. and PSA Airlines, Inc. (incorporated by reference to Exhibit 10.4 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).
10.5	Payroll Support Program 3 Agreement, dated as of April 23, 2021, between American Airlines, Inc. and the United States Department of the Treasury (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (Commission File No. 1-8400)).
10.6	Promissory Note, dated as of April 23, 2021, issued by American Airlines Group Inc. in the name of the United States Department of the Treasury and guaranteed by American Airlines, Inc., Envoy Air Inc., Piedmont Airlines, Inc. and PSA Airlines, Inc. (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (Commission File No. 1-8400)).
10.7	Amendment, dated as of June 30, 2022, to the Promissory Notes and the Warrants issued by American Airlines Group Inc. to the United States Department of the Treasury (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 (Commission File No. 1-8400)).
10.8	Loan and Guarantee Agreement, dated as of September 25, 2020, among American Airlines, Inc., American Airlines Group Inc., the other guarantors party thereto from time to time, the United States Department of the Treasury and the Bank of New York Mellon, as administrative and collateral agent (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 (Commission File No. 1-8400).
10.9	Restatement Agreement, dated as of October 21, 2020, to Loan and Guarantee Agreement, dated as of September 25, 2020, among American Airlines, Inc., American Airlines Group Inc., the other guarantors party thereto from time to time, the United States Department of the Treasury and the Bank of New York Mellon, as administrative and collateral agent (incorporated by reference to Exhibit 10.6 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.10	Letter Agreement, dated as of January 15, 2021, to Loan and Guarantee Agreement, dated as of September 25, 2020, among American Airlines, Inc., American Airlines Group Inc., the other guarantors party thereto from time to time, the United States Department of the Treasury and the Bank of New York Mellon, as administrative and collateral agent (incorporated by reference to Exhibit 10.7 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).

Exhibit Number	Description
10.11	Amended and Restated Credit and Guaranty Agreement, dated as of December 15, 2016, amending the Loan Agreement, dated as of May 23, 2013, among American Airlines, Inc. (as successor in interest to US Airways, Inc., as borrower), as the borrower, American Airlines Group Inc., as parent and guarantor (as successor in interest to US Airways Group, Inc., as parent and guarantor), the lenders from time to time party thereto, Citibank N.A., as administrative agent and collateral agent (as successor in interest to Citicorp North America Inc., as administrative agent and collateral agent), and certain other parties thereto. (incorporated by reference to Exhibit 10.1 to AAG's Annual Report on Form 10-K for the year ended December 31, 2016 (Commission File No. 1-8400)).
10.12	First Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of November 14, 2017, amending the Amended and Restated Credit and Guaranty Agreement, dated as of December 15, 2016, amending the Loan Agreement, dated as of May 23, 2013, among American Airlines, Inc. (as successor in interest to US Airways, Inc., as borrower), as the borrower, American Airlines Group Inc., as parent and guarantor (as successor in interest to US Airways Group, Inc., as parent and guarantor), the lenders from time to time party thereto, Citibank N.A., as administrative agent and collateral agent (as successor in interest to Citicorp North America Inc., as administrative agent and collateral agent), and certain other parties thereto (incorporated by reference to Exhibit 10.2 to AAG's Annual Report on Form 10-K for the year ended December 31, 2017 (Commission File No. 1-8400)).
10.13	First Amendment and Restatement Agreement, dated as of April 20, 2015, in relation to the Credit and Guaranty Agreement, dated as of October 10, 2014 (as amended), among American Airlines Group Inc. (as successor in interest to US Airways Group, Inc.), American Airlines, Inc. (as successor in interest to US Airways, Inc.), the Revolving Lenders (as defined therein) party thereto, the 2015 Term Loan Lenders (as defined therein) party thereto and Citibank N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.4 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 (Commission File No. 1-8400)).
10.14	First Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of October 26, 2015, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc. (as successor in interest to US Airways, Inc.), American Airlines Group Inc. (as successor in interest to US Airways Group, Inc.), the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.6 to AAG's Annual Report on Form 10-K for the year ended December 31, 2015 (Commission File No. 1-8400)).
10.15	Second Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of September 22, 2016, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 (Commission File No. 1-8400)).
10.16	Increase Joinder, dated as of April 21, 2025, amending that certain Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among American Airlines, Inc., as borrower, American Airlines Group Inc., as guarantor, the lenders from time to time party thereto and Citibank, N.A., as administrative agent (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 (Commission File No. 1-8400)).**
10.17	Third Amendment to the Amended and Restated Credit and Guaranty Agreement, dated as of June 14, 2017, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 (Commission File No. 1-8400)).
10.18	Fourth Amendment to the Amended and Restated Credit and Guaranty Agreement, dated as of August 21, 2017, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 (Commission File No. 1-8400)).*
10.19	Fifth Amendment to the Amended and Restated Credit and Guaranty Agreement, dated as of September 17, 2018, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 (Commission File No. 1-8400)).

Exhibit Number	Description
10.20	Sixth Amendment to the Amended and Restated Credit and Guaranty Agreement, dated as of December 10, 2018, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.24 to AAG's Annual Report on Form 10-K for the year ended December 31, 2023 (Commission File No. 1-8400).**
10.21	Seventh Amendment to the Amended and Restated Credit and Guaranty Agreement, dated as of November 8, 2019, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.10 to AAG's Annual Report on Form 10-K for the year ended December 31, 2019 (Commission File No. 1-8400)).**
10.22	Eighth Amendment to the Amended and Restated Credit and Guaranty Agreement, dated as of January 29, 2020, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.3 to AAG's quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (Commission File No. 1-8400))**
10.23	Ninth Amendment to the Amended and Restated Credit and Guaranty Agreement, dated as of March 13, 2023, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.4 to AAG's quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (Commission File No. 1-8400))**
10.24	Tenth Amendment to the Amended and Restated Credit and Guaranty Agreement, dated as of June 4, 2024, amending the Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Citibank N.A., as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.2 to AAG's quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (Commission File No. 1-8400))**
10.25	First Amendment and Restatement Agreement, dated as of May 21, 2015, in relation to the Credit and Guaranty Agreement, dated as of June 27, 2013 (as amended), among American Airlines Group Inc. (as successor in interest to US Airways Group, Inc.), American Airlines, Inc. (as successor in interest to US Airways, Inc.), the Revolving Lenders (as defined therein) party thereto, the 2015 Term Loan Lenders (as defined therein) party thereto and Deutsche Bank AG New York Branch, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 (Commission File No. 1-8400)).
10.26	First Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of October 26, 2015, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc. (as successor in interest to US Airways, Inc.), American Airlines Group Inc., (as successor in interest to US Airways Group, Inc.), the lenders from time to time party thereto, Deutsche Bank AG New York Branch, as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.8 to AAG's Annual Report on Form 10-K for the year ended December 31, 2015 (Commission File No. 1-8400)).
10.27	Second Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of March 14, 2017, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Deutsche Bank AG New York Branch, as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (Commission File No. 1-8400)).
10.28	Third Amendment to the Amended and Restated Credit And Guaranty Agreement, dated as of August 21, 2017, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Deutsche Bank AG New York Branch, as administrative agent, and certain other parties thereto (incorporated by reference to Exhibit 10.11 to AAG's Annual Report on Form 10-K for the year ended December 31, 2017 (Commission File No. 1-8400)).*
10.29	Fourth Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of May 15, 2018, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Deutsche Bank AG New York Branch, as administrative agent, and Barclays Bank PLC, as designated replacement term lender (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 (Commission File No. 1-8400)).

Exhibit Number	Description
10.30	Fifth Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of December 10, 2018, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Deutsche Bank AG New York Branch, as administrative agent, and Barclays Bank PLC, as designated replacement term lender (incorporated by reference to Exhibit 10.31 to AGG's Annual Report on Form 10-K for the year ended December 31, 2023 (Commission File No. 1-8500)).**
10.31	Sixth Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of November 8, 2019, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto, Deutsche Bank AG New York Branch, as administrative agent, and Barclays Bank PLC, as designated replacement term lender (incorporated by reference to Exhibit 10.17 to AAG's Annual Report on Form 10-K for the year ended December 31, 2019 (Commission File No. 1-8400)).**
10.32	Seventh Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of February 15, 2023, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto and Barclays Bank PLC, as administrative agent (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (Commission File No. 1-8400)).**
10.33	Eighth Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of March 13, 2023, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto and Barclays Bank PLC, as administrative agent (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (Commission File No. 1-8400)).**
10.34	Ninth Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of June 4, 2024, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto and Barclays Bank PLC, as administrative agent (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (Commission File No. 1-8400)).**
10.35	Tenth Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of December 19, 2024, amending the Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015, among American Airlines, Inc., American Airlines Group Inc., the lenders from time to time party thereto and Barclays Bank PLC, as administrative agent (incorporated by reference to Exhibit 10.1 to AAG's Current Report on Form 8-K filed on December 23, 2024 (Commission File No. 1-8400)).**
10.36	Increase Joinder, dated as of April 21, 2025, amending that certain Amended and Restated Credit and Guaranty Agreement, dated as of May 21, 2015 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among American Airlines, Inc., as borrower, American Airlines Group Inc., as guarantor, the lenders from time to time party thereto and Barclays Bank PLC, as administrative agent (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 (Commission File No. 1-8400)).**
10.37	Credit and Guaranty Agreement, dated as of December 4, 2023, among American Airlines Inc., as the borrower, American Airlines Group Inc., as parent and guarantor, the lenders from time to time party thereto, Citibank, N.A., as administrative agent, and certain other parties from time to time party thereto (incorporated by reference to Exhibit 4.3 to AAG's Current Report on Form 8-K filed on December 4, 2023 (Commission File No. 1-8400)).
10.38	First Amendment to Credit and Guaranty Agreement, dated as of June 4, 2024, amending the Credit and Guaranty Agreement, dated as of December 4, 2023, among American Airlines, Inc., as the borrower, American Airlines Group Inc., as parent and guarantor, the lenders from time to time party thereto, Citibank, N.A., as administrative agent, and certain other parties from time to time party thereto (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (Commission File No. 1-8400)).**
10.39	Second Amendment to Credit and Guaranty Agreement, dated as of June 4, 2024, amending the Credit and Guaranty Agreement, dated as of December 4, 2023, among American Airlines, Inc., as the borrower, American Airlines Group Inc., as parent and guarantor, the lenders from time to time party thereto, Citibank, N.A., as administrative agent, and certain other parties from time to time party thereto (incorporated by reference to Exhibit 10.4 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (Commission File No. 1-8400)).**
10.40	Third Amendment to Credit and Guaranty Agreement, dated as of December 23, 2024, amending the Credit and Guaranty Agreement, dated as of December 4, 2023, among American Airlines, Inc., as the borrower, American Airlines Group Inc., as parent and guarantor, the lenders from time to time party thereto, Citibank, N.A., as administrative agent, and certain other parties from time to time party thereto (incorporated by reference to Exhibit 10.2 to AAG's Current Report on Form 8-K filed on December 23, 2024 (Commission File No. 1-8400))**

Exhibit Number	Description
10.41	Increase Joinder, dated as of April 21, 2025, amending that certain Credit and Guaranty Agreement, dated as of December 4, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among American Airlines, Inc., as borrower, American Airlines Group Inc., as guarantor, the lenders from time to time party thereto and Citibank, N.A., as administrative agent. (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 (Commission File No. 1-8400))**
10.42	Purchase Agreement No. 3219, dated as of October 15, 2008, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.38 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.43	Supplemental Agreement No. 2, dated as of July 21, 2010, to Purchase Agreement No. 3219 between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.39 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.44	Supplemental Agreement No. 3, dated as of February 1, 2013, to Purchase Agreement No. 3219 between American Airlines, Inc., and The Boeing Company (incorporated by reference to Exhibit 10.40 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.45	Supplemental Agreement No. 4, dated as of June 9, 2014, to Purchase Agreement No. 3219 between The Boeing Company and American Airlines, Inc. dated as of October 15, 2008, relating to Boeing Model 787 Aircraft, as amended, restated, amended and restated, supplemented or otherwise modified (incorporated by reference to Exhibit 10.41 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.46	Supplemental Agreement No. 5, dated as of January 20, 2015, to Purchase Agreement No. 3219 between The Boeing Company and American Airlines, Inc., dated as of October 15, 2008, relating to Boeing Model 787 Aircraft, as amended, restated, amended and restated, supplemented or otherwise modified (incorporated by reference to Exhibit 10.42 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.47	Supplemental Agreement No. 6, dated as of April 21, 2015, to Purchase Agreement No. 3219 between American Airlines, Inc. and The Boeing Company, dated as of October 15, 2008, as amended, restated, amended and restated, supplemented or otherwise modified (incorporated by reference to Exhibit 10.43 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.48	Supplemental Agreement No. 7, dated as of September 12, 2016, to Purchase Agreement No. 3219 dated as of October 15, 2008, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.44 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.49	Supplemental Agreement No. 8, dated as of January 26, 2017, to Purchase Agreement No. 3219 dated as of October 15, 2008, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.45 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.50	Supplemental Agreement No. 9, dated as of April 24, 2017, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.46 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.51	Supplemental Agreement No. 10, dated as of May 11, 2017, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.47 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.52	Supplemental Agreement No. 11, dated as of April 6, 2018, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 (Commission File No. 1-8400)).*
10.53	Supplemental Agreement No. 12, dated as of May 29, 2019, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 (Commission File No. 1-8400)).**
10.54	Supplemental Agreement No. 13, dated as of August 20, 2019, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 (Commission File No. 1-8400)).**

Exhibit Number	Description
10.55	Supplemental Agreement No. 14, dated as of February 24, 2020, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (Commission File No. 1-8400)).**
10.56	Supplemental Agreement No. 15, dated as of March 16, 2020, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (Commission File No. 1-8400)).**
10.57	Supplemental Agreement No. 16, dated as of May 21, 2021, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.4 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (Commission File No. 1-8400)).**
10.58	Supplemental Agreement No. 17, dated as of January 31, 2022, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 (Commission File No. 1-8400)).**
10.59	Supplemental Agreement No. 18, dated as of February 9, 2023, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 (Commission File No. 1-8400)).**
10.60	Supplemental Agreement No. 19, dated as of April 23, 2023, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 (Commission File No. 1-8400)).**
10.61	Supplemental Agreement No. 20, dated as of August 31, 2023, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 (Commission File No. 1-8400)).**
10.62	Supplemental Agreement No. 21, dated as of February 15, 2024, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company. (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (Commission File No. 1-8400)).**
10.63	Supplemental Agreement No. 22, dated as of January 3, 2025, to Purchase Agreement No. 3219 dated as of October 15, 2008, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (Commission File No. 1-8400)).**
10.64	Letter Agreement No. AAL-LA-2100511, dated as of March 9, 2021, to Purchase Agreement No. 3219 by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.8 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).**
10.65	Amendment 1, dated as of March 25, 2021, to the Letter Agreement No. AAL-LA-2100511, dated as of March 9, 2021, to Purchase Agreement No. 3219 by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.9 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).**
10.66	Amendment 2, dated as of June 28, 2021, to the Letter Agreement No. AAL-LA-2100511, dated as of March 9, 2021, to Purchase Agreement No. 3219 by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (Commission File No. 1-8400)).**
10.67	Amendment No. 3, dated as of September 24, 2021, to the Letter Agreement No. AAL-LA-2100511, dated as of March 9, 2021, to Purchase Agreement No. 3219 by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 (Commission File No. 1-8400)).**
10.68	Letter Agreement No. AAL LA 2100530, dated as of March 9, 2021, to Purchase Agreement No. 3219 by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.10 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).**
10.69	Amendment No. 4, dated as of December 15, 2021, to the Letter Agreement No. AAL-LA-2100511, dated as of March 9, 2021, to Purchase Agreement No. 3219 by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.19 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**

Exhibit Number	Description
10.70	Letter Agreement, dated as of January 19, 2023, to Purchase Agreement No. 3219 by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 (Commission File No. 1-8400)).**
10.71	A320 Family Aircraft Purchase Agreement, dated as of July 20, 2011, between American Airlines, Inc. and Airbus S.A.S (incorporated by reference to Exhibit 10.46 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.72	Amendment No. 1, dated as of January 11, 2013, to A320 Family Aircraft Purchase Agreement between American Airlines, Inc. and Airbus S.A.S., dated as of July 20, 2011 (incorporated by reference to Exhibit 10.47 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.73	Amendment No. 2, dated as of May 30, 2013, to A320 Family Aircraft Purchase Agreement between American Airlines, Inc. and Airbus S.A.S, dated as of July 20, 2011 (incorporated by reference to Exhibit 10.48 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.74	Amendment No. 3, dated as of November 20, 2013, to A320 Family Aircraft Purchase Agreement between American Airlines, Inc. and Airbus S.A.S., dated as of July 20, 2011 (incorporated by reference to Exhibit 10.49 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.75	Amendment No. 4, dated as of June 18, 2014, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc., as buyer, dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise modified (incorporated by reference to Exhibit 10.50 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.76	Amendment No. 5, dated as of June 24, 2014, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc., as buyer, dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise modified (incorporated by reference to Exhibit 10.51 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.77	Amendment No. 6, dated as of July 1, 2014, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc., as buyer, dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise modified (incorporated by reference to Exhibit 10.52 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.78	Amendment No. 7, dated as of November 25, 2014, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc., as buyer, dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise (incorporated by reference to Exhibit 10.53 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.79	Amendment No. 8, dated as of June 11, 2015, to the A320 Family Aircraft Purchase Agreement between American Airlines, Inc. and Airbus S.A.S., dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise modified (incorporated by reference to Exhibit 10.54 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.80	Amendment No. 9, dated as of September 23, 2015, to the A320 Family Aircraft Purchase Agreement, dated as of July 20, 2011, between American Airlines, Inc. and Airbus S.A.S. (incorporated by reference to Exhibit 10.55 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.81	Amendment No. 10, dated as of July 16, 2018, to the A320 Family Aircraft Purchase Agreement, dated as of July 20, 2011, between American Airlines, Inc. and Airbus S.A.S. (incorporated by reference to Exhibit 10.56 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.82	Amendment No. 11, dated as of June 19, 2019, to the A320 Family Aircraft Purchase Agreement, dated as of July 20, 2011, between American Airlines, Inc. and Airbus S.A.S. (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 (Commission File No. 1-8400)).**
10.83	Amendment No. 12, dated as of June 26, 2020, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc. as buyer, dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 (Commission File No. 1-8400)).**
10.84	Amendment No. 13, dated as of July 13, 2020, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc. as buyer, dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 (Commission File No. 1-8400)).**

Exhibit Number	Description
10.85	Amendment No. 14, dated as of October 8, 2020, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc. as buyer, dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise (incorporated by reference to Exhibit 10.60 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.86	Amendment No. 15, dated as of June 30, 2021, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc. as buyer, dated as of July 20, 2011, as amended, restated, amended and restated, supplemented or otherwise (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 (Commission File No. 1-8400)).**
10.87	Amendment No. 16, dated as of March 2, 2024, to the A320 Family Aircraft Purchase Agreement between Airbus S.A.S., as seller, and American Airlines, Inc. as buyer, dated as of July 20, 2011. (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (Commission File No. 1-8400)).**
10.88	Consent Agreement, dated as of October 5, 2015, between American Airlines, Inc. (as successor in interest to US Airways, Inc.), American Airlines, Inc. and Airbus S.A.S. (incorporated by reference to Exhibit 10.95 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400))**
10.89	Purchase Agreement No. 03735, dated as of February 1, 2013, between American Airlines, Inc., and The Boeing Company (incorporated by reference to Exhibit 10.69 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.90	Supplemental Agreement No. 1, dated as of April 15, 2013, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.70 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.91	Supplemental Agreement No. 2, dated as of March 6, 2015, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.71 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.92	Supplemental Agreement No. 3, dated as of May 22, 2015, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.72 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.93	Letter Agreement, dated as of January 14, 2016, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.73 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.94	Supplemental Agreement No. 4, dated as of June 6, 2016, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.74 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.95	Supplemental Agreement No. 5, dated as of August 8, 2016, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.81 to AAG's Annual Report on Form 10-K for the year ended December 31, 2023 (Commission File No. 1-8400)).**
10.96	Supplemental Agreement No. 6, dated as of November 15, 2016, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.76 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.97	Supplemental Agreement No. 7, dated as of March 2, 2017, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.77 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**
10.98	Supplemental Agreement No. 8, dated as of December 7, 2017, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.45 to AAG's Annual Report on Form 10-K for the year ended December 31, 2017 (Commission File No. 1-8400)).*

Exhibit Number	Description
10.99	Supplemental Agreement No. 9, dated as of April 6, 2018, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 (Commission File No. 1-8400)).*
10.100	Supplemental Agreement No. 10, dated as of March 26, 2019, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019 (Commission File No. 1-8400)).**
10.101	Letter Agreement, dated as of September 4, 2020, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 (Commission File No. 1-8400)).**
10.102	Supplemental Agreement No. 11, dated as of October 9, 2020, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.74 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.103	Supplemental Agreement No. 12, dated as of October 22, 2020, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.75 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.104	Supplemental Agreement No. 13, dated as of November 17, 2020, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.76 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.105	Supplemental Agreement No. 14, dated as of November 25, 2020, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.77 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.106	Supplemental Agreement No. 15, dated as of December 15, 2020, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.78 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.107	Amendment 1, dated as of December 31, 2020, to the Letter Agreement, dated as of September 4, 2020, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.79 to AAG's Annual Report on Form 10-K for the year ended December 31, 2020 (Commission File No. 1-8400)).**
10.108	Supplemental Agreement No. 16, dated as of January 14, 2021, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).**
10.109	Supplemental Agreement No. 17, dated as of February 11, 2021, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.6 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).**
10.110	Supplemental Agreement No. 18, dated as of March 12, 2021, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.7 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).**
10.111	Supplemental Agreement No. 19, dated as of April 8, 2021, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (Commission File No. 1-8400)).**
10.112	Supplemental Agreement No. 20, dated as of November 12, 2021, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.92 to AAG's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-8400)).**

Exhibit Number	Description
10.113	Supplemental Agreement No. 21, dated as of January 14, 2022, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 (Commission File No. 1-8400)).**
10.114	Supplemental Agreement No. 22, dated as of January 31, 2022, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 (Commission File No. 1-8400)).**
10.115	Supplemental Agreement No. 23, dated as of May 5, 2022, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 (Commission File No. 1-8400)).**
10.116	Supplemental Agreement No. 24, dated as of June 6, 2022, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 (Commission File No. 1-8400)).**
10.117	Supplemental Agreement No. 25, dated as of July 1, 2022, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 (Commission File No. 1-8400)).**
10.118	Supplemental Agreement No. 26, dated as of August 1, 2022, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 (Commission File No. 1-8400)).**
10.119	Supplemental Agreement No. 27, dated as of October 3, 2022, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and the Boeing Company (incorporated by reference to Exhibit 10.101 to AAG's Annual Report on Form 10-K for the year ended December 31, 2022 (Commission File No. 1-8400)).**
10.120	Supplemental Agreement No. 28, dated as of November 4, 2022, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and the Boeing Company (incorporated by reference to Exhibit 10.102 to AAG's Annual Report on Form 10-K for the year ended December 31, 2022 (Commission File No. 1-8400)).**
10.121	Supplemental Agreement No. 29, dated as of May 23, 2023, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and the Boeing Company (incorporated by reference to Exhibit 10.2 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 (Commission File No. 1-8400)).**
10.122	Supplemental Agreement No. 30, dated as of June 2, 2023, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and the Boeing Company (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 (Commission File No. 1-8400)).**
10.123	Supplemental Agreement No. 31, dated as of July 5, 2023, to Purchase Agreement No. 03735 dated as of February 1, 2013, between American Airlines, Inc. and the Boeing Company (incorporated by reference to Exhibit 10.1 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 (Commission File No. 1-8400)).**
10.124	Supplemental Agreement No. 32, dated as of March 4, 2024, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (Commission File No. 1-8400)).**
10.125	Supplemental Agreement No. 33, dated as of August 21, 2024, to Purchase Agreement No. 03735 dated as of February 1, 2013, between The Boeing Company and American Airlines, Inc. Relating to Boeing Model 737 MAX Aircraft (incorporated by reference to Exhibit 10.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (Commission File No. 1-8400)).**
10.126	Supplemental Agreement No. 34, dated as of March 19, 2025, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.3 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (Commission File No. 1-8400)).**

Exhibit Number	Description
10.127	Supplemental Agreement No. 35, dated as of June 30, 2025, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company (incorporated by reference to Exhibit 10.6 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 (Commission File No. 1-8400)).**
10.128	Supplemental Agreement No. 36, dated as of October 13, 2025, to Purchase Agreement No. 03735 dated as of February 1, 2013, by and between American Airlines, Inc. and The Boeing Company.**
10.129	Supplemental Executive Retirement Program for Officers of American Airlines, Inc., as amended and restated as of January 1, 2005 (incorporated by reference to Exhibit 10.127 to AMR's Annual Report on Form 10-K for the year ended December 31, 2008 (Commission File No. 1-8400)).†
10.130	Trust Agreement Under Supplemental Retirement Program for Officers of American Airlines, Inc., as amended and restated as of June 1, 2007 (incorporated by reference to Exhibit 10.128 to AMR's Annual Report on Form 10-K for the year ended December 31, 2008 (Commission File No. 1-8400)).†
10.131	Trust Agreement Under Supplemental Executive Retirement Program for Officers of American Airlines, Inc. Participating in the Super Saver Plus Plan, as amended and restated as of June 1, 2007 (incorporated by reference to Exhibit 10.129 to AMR's Annual Report on Form 10-K for the year ended December 31, 2008 (Commission File No. 1-8400)).†
10.132	American Airlines Group Inc. 2013 Incentive Award Plan (incorporated by reference to Exhibit 4.1 of AAG's Form S-8 Registration Statement, filed on December 4, 2013 (Registration No. 333-192660)).†
10.133	First Amendment to the American Airlines Group Inc. 2013 Incentive Award Plan (incorporated by reference to Exhibit 10.64 to AAG's Annual Report on Form 10-K for the year ended December 31, 2017 (Commission File No. 1-8400)).†
10.134	Form of American Airlines Group Inc. 2013 Incentive Award Plan Restricted Stock Unit (Cash-Settled) Award Grant Notice and Award Agreement (incorporated by reference to Exhibit 10.125 to AAG's Annual Report on Form 10-K for the year ended December 31, 2013 (Commission File No. 1-8400)).†
10.135	Form of American Airlines Group Inc. 2013 Incentive Award Plan Restricted Stock Unit (Stock-Settled) Award Grant Notice and Award Agreement (incorporated by reference to Exhibit 10.127 to AAG's Annual Report on Form 10-K for the year ended December 31, 2013 (Commission File No. 1-8400)).†
10.136	Form of American Airlines Group Inc. 2013 Incentive Award Plan Restricted Stock Unit (Stock-Settled) Award Grant Notice and Award Agreement for Director Grants (incorporated by reference to Exhibit 10.129 to AAG's Annual Report on Form 10-K for the year ended December 31, 2013 (Commission File No. 1-8400)).†
10.137	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.9 to AAG's Current Report on Form 8-K filed on December 9, 2013 (Commission File No. 1-8400)).†
10.138	2014 Short-Term Incentive Program Under 2013 Incentive Award Plan (incorporated by reference to Exhibit 10.8 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 (Commission File No. 1-8400)).†
10.139	American Airlines Group Inc. 2023 Incentive Award Plan (incorporated by reference to Exhibit 99.1 of AAG's Form S-8 Registration Statement, filed on May 10, 2023 (Registration No. 333-271802)).†
10.140	American Airlines Group Inc. 2023 Incentive Award Plan, as amended, dated as of April 29, 2025 (incorporated by reference to Exhibit 10.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 (Commission File No. 1-8400)).†
10.141	Form of American Airlines Group Inc. 2023 Incentive Award Plan Restricted Stock Unit (Stock-Settled) Award Grant Notice and Award Agreement (incorporated by reference to Exhibit 10.122 to AAG's Annual Report on Form 10-K for the year ended December 31, 2023 (Commission File No. 1-8400)).†
10.142	Form of Letter Agreement for Directors Travel Program (incorporated by reference to Exhibit 10.106 to US Airways Group's Annual Report on Form 10-K for the year ended December 31, 2007 (Commission File No. 1-8444)).†
10.143	Form of Letter Agreement, dated April 25, 2017, by and between American Airlines Group Inc. and each of Robert D. Isom, Jr., Stephen L. Johnson and Derek J. Kerr (incorporated by reference to Exhibit 10.1 to AAG's Current Report on Form 8-K filed on May 1, 2017 (Commission File No. 1-8400)).†
10.144	Term Loan Credit and Guaranty Agreement, dated as of March 24, 2021, among American Airlines, Inc., AAdvantage Loyalty IP Ltd., American Airlines Group Inc., AAdvantage Holdings 1, Ltd., AAdvantage Holdings 2, Ltd., Barclays Bank PLC, as administrative agent, Wilmington Trust, National Association, as collateral administrator, and the lenders party thereto (incorporated by reference as Exhibit 10.4 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 (Commission File No. 1-8400)).#
10.145	First Amendment to Term Loan Credit and Guaranty Agreement, dated as of June 26, 2023, among American Airlines, Inc., AAdvantage Loyalty IP Ltd., Barclays Bank PLC, as administrative agent.***

Exhibit Number	Description
10.146	Second Amendment to Term Loan Credit and Guaranty Agreement, dated as of March 24, 2025, among American Airlines, Inc., AAdvantage Loyalty IP Ltd., Barclays Bank PLC, as administrative agent, and Barclays Bank PLC, as Designated 2025 Replacement Term Lender (incorporated by reference as Exhibit 10.1 to AAG's Current Report on Form 8-K filed on March 28, 2025 (Commission File No. 1-8400)).
10.147	Third Amendment to Term Loan Credit and Guaranty Agreement, dated as of May 28, 2025, among American Airlines, Inc., AAdvantage Loyalty IP Ltd., Barclays Bank PLC, as administrative agent, and Citibank, N.A., as Designated 2025 Incremental Term Lender (incorporated by reference as Exhibit 10.1 to AAG's Current Report on Form 8-K filed on May 29, 2025 (Commission File No. 1-8400)).***
10.148	Severance Agreement and Restrictive Covenants Agreement, dated as of September 20, 2023, among American Airlines Group, Inc., American Airlines, Inc. and Robert D. Isom (incorporated by reference to Exhibit 10.130 to AAG's Annual Report on Form 10-K for the year ended December 31, 2023 (Commission File No. 1-8400)).†
10.149	Severance Agreement and Restrictive Covenants Agreement, dated as of September 20, 2023, among American Airlines Group, Inc., American Airlines, Inc. and Stephen L. Johnson (incorporated by reference to Exhibit 10.4 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (Commission File No. 1-8400)).†
10.150	Severance Agreement and Restrictive Covenants Agreement, dated as of September 20, 2023, among American Airlines Group, Inc., American Airlines, Inc. and David G. Seymour (incorporated by reference to Exhibit 10.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 (Commission File No. 1-8400)).†
10.151	Severance Agreement and Restrictive Covenants Agreement, dated as of February 21, 2024, among American Airlines Group, Inc., American Airlines, Inc. and Devon May. (incorporated by reference to Exhibit 10.5 to AAG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (Commission File No. 1-8400)). †
10.152	Severance Agreement and Restrictive Covenants Agreement, dated as of July 1, 2025, among American Airlines Group, Inc., American Airlines, Inc. and Anthony J. Richmond. †
10.153	Severance Agreement and Restrictive Covenants Agreement, dated as of January 5, 2026, among American Airlines Group, Inc., American Airlines, Inc. and Nathaniel Pieper. †
14.1	Code of Ethics (incorporated by reference to Exhibit 14.1 to AAG's Current Report on Form 8-K filed on December 9, 2013 (Commission File No. 1-8400)).
19.1	American Airlines Group Inc. Amended and Restated Insider Trading Compliance Policy, (incorporated by reference to Exhibit 19.1 to AAG's Annual Report on Form 10-K for the year ended December 31, 2024 (Commission File No. 1-8400)).
21.1	Significant subsidiaries of AAG and American as of December 31, 2025.
23.1	Consent of Independent Registered Public Accounting Firm – KPMG LLP.
24.1	Powers of Attorney (included in signature page of this Annual Report on Form 10-K).
31.1	Certification of AAG Chief Executive Officer pursuant to Rule 13a-14(a).
31.2	Certification of AAG Chief Financial Officer pursuant to Rule 13a-14(a).
31.3	Certification of American Chief Executive Officer pursuant to Rule 13a-14(a).
31.4	Certification of American Chief Financial Officer pursuant to Rule 13a-14(a).
32.1	Certification pursuant to Rule 13a-14(b) and section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code).
32.2	Certification pursuant to Rule 13a-14(b) and section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code).
97.1	American Airlines Group Inc. Policy for Recovery of Erroneously Awarded Compensation (incorporated by reference to Exhibit 97.1 to AAG's Annual Report on form 10-K filed on December 31, 2023 (Commission File No.1-8400)).
101.1	Interactive data files pursuant to Rule 405 of Regulation S-T, formatted in Inline XBRL (eXtensible Business Reporting Language).
104.1	Cover page interactive data file (formatted in Inline XBRL and contained in Exhibit 101.1).

Pursuant to Item 601(a)(5) of Regulation S-K promulgated by the Securities and Exchange Commission, certain exhibits and schedules to this agreement have been omitted. Such exhibits and schedules are described in the referenced agreement. AAG and American hereby agree to furnish to the Securities and Exchange Commission, upon its request, any or all of such omitted exhibits or schedules.

* Confidential treatment has been granted with respect to certain portions of this agreement.

** Portions of this exhibit have been omitted in accordance with Item 601(b)(10) of Regulation S-K.

*** Portions of this exhibit have been redacted in accordance with Item 601(a)(6) of Regulation S-K.

† Management contract or compensatory plan or arrangement.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

American Airlines Group Inc.

Date: February 18, 2026

By: /s/ Robert D. Isom
Robert D. Isom
Chief Executive Officer and President
(Principal Executive Officer)

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

American Airlines, Inc.

Date: February 18, 2026

By: /s/ Robert D. Isom
Robert D. Isom
Chief Executive Officer and President
(Principal Executive Officer)

KNOW ALL PERSONS BY THESE PRESENTS, that each individual whose signature appears below constitutes and appoints Robert D. Isom and Devon E. May and each or any of them, his or her true and lawful attorneys and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to the registrants' Annual Report on Form 10-K for the fiscal year ended December 31, 2025, and to file the same with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys and agents, and each or any of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys and agents, and each of them, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of American Airlines Group Inc. and in the capacities and on the dates noted:

Date: February 18, 2026	/s/ Robert D. Isom Robert D. Isom Chief Executive Officer, President and Director (Principal Executive Officer)
Date: February 18, 2026	/s/ Devon E. May Devon E. May Executive Vice President and Chief Financial Officer (Principal Financial Officer)
Date: February 18, 2026	/s/ Angela K. Owens Angela K. Owens Senior Vice President and Corporate Controller (Principal Accounting Officer)
Date: February 18, 2026	/s/ Adriane M. Brown Adriane M. Brown, Director
Date: February 18, 2026	/s/ John T. Cahill John T. Cahill, Director
Date: February 18, 2026	/s/ Kathryn Farmer Kathryn Farmer, Director
Date: February 18, 2026	/s/ Matthew J. Hart Matthew J. Hart, Director
Date: February 18, 2026	/s/ Susan D. Kronick Susan D. Kronick, Director
Date: February 18, 2026	/s/ Martin H. Nesbitt Martin H. Nesbitt, Director

Date: February 18, 2026	/s/ Denise M. O'Leary Denise M. O'Leary, Director
Date: February 18, 2026	/s/ Vicente Reynal Vicente Reynal, Director
Date: February 18, 2026	/s/ Gregory D. Smith Gregory D. Smith, Chairman
Date: February 18, 2026	/s/ Douglas M. Steenland Douglas M. Steenland, Director
Date: February 18, 2026	/s/ Howard Ungerleider Howard Ungerleider, Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of American Airlines, Inc. and in the capacities and on the dates noted:

Date: February 18, 2026	/s/ Robert D. Isom Robert D. Isom Chief Executive Officer, President and Director (Principal Executive Officer)
Date: February 18, 2026	/s/ Devon E. May Devon E. May Executive Vice President, Chief Financial Officer and Director (Principal Financial Officer)
Date: February 18, 2026	/s/ Angela K. Owens Angela K. Owens Senior Vice President and Corporate Controller (Principal Accounting Officer)
Date: February 18, 2026	/s/ Stephen L. Johnson Stephen L. Johnson, Director

Exhibit 4.167

FIRST SUPPLEMENTAL INDENTURE

First Supplemental Indenture (this "Supplemental Indenture"), dated as of August 27, 2021 among Madrid IP Lux GP S.à r.l. a Luxembourg limited liability company (*société à responsabilité limitée*) existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 9 rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg registered with the Luxembourg Trade and Companies' Register under number **B258394** ("Madrid IP Lux GP"), Madrid IP Lux Holdco SCS, a Luxembourg common limited partnership (*société en commandite simple*) existing under the laws of the Grand Duchy of Luxembourg , having its registered office at 9 rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg registered with the Luxembourg Trade and Companies' Register under number **B258425** ("Madrid IP Lux 1"), Madrid IP Lux Holdco 2 SCS, a Luxembourg common limited partnership (*société en commandite simple*) existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 9 rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg registered with the Luxembourg Trade and Companies' Register under number **B25843** ("Madrid IP Lux 2", together with Madrid IP Lux GP and Madrid IP Lux 1, the "Guaranteeing Subsidiaries"), **AAdvantage Loyalty IP Ltd.** ("Loyalty Co") and **American Airlines, Inc.** ("American" together with Loyalty Co, the "Issuers"), and **Wilmington Trust, National Association**, as trustee (the "Trustee").

W I T N E S S E T H

WHEREAS, each of the Issuers and the Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an indenture, dated as of March 24, 2021 (as further amended and supplemented, the "Indenture"), providing for the initial issuance of $3,500,000,000 of 5.500% Senior Secured Notes due 2026 (the "2026 Notes") and $3,000,000,000 of 5.750% Senior Secured Notes due 2029 (the "2029 Notes" and, together with the 2026 Notes, the "Notes");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which each Guaranteeing Subsidiary shall unconditionally guarantee all of the Issuer's Obligations under the Notes and the Indenture on the terms and conditions set forth herein and under the Indenture (the "Guarantees"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Guaranteeing Subsidiaries and the Trustee are authorized to execute and deliver this Supplemental Indenture to amend or supplement the Indenture without the consent of Holders.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

(1) Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

(2) Agreement to Guarantee. Each Guaranteeing Subsidiary hereby agrees to be a Guarantor under the Indenture and to be bound by the terms of the Indenture applicable to a Guarantor, including Article 10 thereof, as if it were an original signatory thereto.

(3) Execution and Delivery. Each Guaranteeing Subsidiary agrees that the Guarantee shall remain in full force and effect notwithstanding the absence of the endorsement of any notation of such Guarantee on the Notes.

(4) Governing Law. THIS SUPPLEMENTAL INDENTURE, THE INDENTURE, THE NOTES, AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK BUT WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

(5) Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent one and the same agreement. This Supplemental Indenture may be executed in multiple counterparts which, when taken together, shall constitute one instrument. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile, PDF or other electronic transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture and signature pages for all purposes. Signatures of the parties hereto transmitted by facsimile, PDF or other electronic transmission shall be deemed to be their original signatures for all purposes.

(6) Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

(7) The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries.

(8) Benefits Acknowledged. Each Guaranteeing Subsidiary's Guarantee is subject to the terms and conditions set forth in the Indenture. Each Guaranteeing Subsidiary acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by the Indenture and this Supplemental Indenture and that the guarantee and waivers made by it pursuant to this Guarantee are knowingly made in contemplation of such benefits.

(9) Successors. All agreements of each Guaranteeing Subsidiary in this Supplemental Indenture shall bind such Guaranteeing Subsidiary's respective successors, except as otherwise provided in this Supplemental Indenture and the Indenture. All agreements of the Trustee and the Collateral Custodian in this Supplemental Indenture shall bind their respective successors.

(10) Ratification of Indenture; Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder shall be bound hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed, all as of the date first above written.

AADVANTAGE LOYALTY IP LTD.

By: /s/ Meghan Montana
Name: Meghan Montana
Title: Director

AMERICAN AIRLINES, INC.

By: /s/ Meghan Montana
Name: Meghan Montana
Title: Vice President and Treasurer

MADRID IP LUX GP S.À R.L.

By: /s/ Pierre Schwartz
Name: Pierre Schwartz
Title: Authorized signatory

MADRID IP LUX HOLDCO SCS

By: /s/ Pierre Schwartz
Name: Pierre Schwartz
Title: Authorized signatory

MADRID IP LUX HOLDCO 2 SCS

By: /s/ Pierre Schwartz
Name: Pierre Schwartz
Title: Authorized signatory

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: /s/ Chad May
Name: Chad May
Title: Vice President

Certain information contained in this document, marked by brackets, has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

SUPPLEMENTAL AGREEMENT NO. 36

to

PURCHASE AGREEMENT NO. 03735

between

THE BOEING COMPANY

and

AMERICAN AIRLINES, INC.

Relating to Boeing Model 737 MAX Aircraft

This SUPPLEMENTAL AGREEMENT No. 36 (***SA-35****)* To PURCHASE AGREEMENT NO. 03735, entered into as of October 13, 2025 (***Effective Date***), by and between THE BOEING COMPANY, a Delaware corporation with offices in Seattle, Washington (***Boeing***) and AMERICAN AIRLINES, INC. a Delaware corporation with offices in Fort Worth, Texas, together with its successors and permitted assigns (***Customer***);

WHEREAS, Boeing and Customer entered into Purchase Agreement No. 03735 dated February 1, 2013 relating to Boeing Model 737 MAX Aircraft, as amended and supplemented (***Purchase Agreement***) and capitalized terms used herein without definitions shall have the meanings specified therefore in such Purchase Agreement;

WHEREAS, Boeing provided to Customer notice No. AAL-NM-2504656, dated September 1, 2025, [****] to Customer for [****] Aircraft, each capitalized term as defined in Letter Agreement No. AAL-PA-3735-LA-2306984 entitled "[****]" (the [****]);

WHEREAS, Customer provided notice to Boeing, on September 22, 2025, [****] Aircraft and Boeing and Customer agree to [****] such [****] Aircraft (now a [****] Aircraft (as defined in the [****])) to the following [****] (as defined in the [****]) as shown below:

[****]	[****]	[****]
[****]	[****]	[****]

BOEING AND AMERICAN PROPRIETARY

[****]	[****]	[****]
[****]	[****]	[****]
[****]	[****]	[****]
[****]	[****]	[****]
[****]	[****]	[****]
[****]	[****]	[****]
[****]	[****]	[****]

WHEREAS, Customer and Boeing agree to [****], as defined in Letter Agreement No. AAL-PA-03735-LA-1106651R15 entitled "[****]" (the [****]), for [****] ([****]) [****] Aircraft, (as defined in the [****]) listed in Attachment B of the [****], to the [****] as shown below:

[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]

;and

WHEREAS, Customer and Boeing agree to update and revise, applicable to this Purchase Agreement, Article 11, "Notices" of the AGTA;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree that the Purchase Agreement is amended and supplemented as set forth below and otherwise agree as follows:

1. Table of Contents.

The "Table of Contents" to the Purchase Agreement referencing SA-35 in the footer is deleted in its entirety and is replaced with the new "Table of Contents" (attached hereto) referencing SA-36 in the footer to reflect changes made to the Purchase Agreement by this SA-36. Such new Table of Contents is hereby incorporated into the Purchase Agreement in replacement of its predecessor.

2. Tables.

Table 1-7. Table 1-7 of the Purchase Agreement titled "[****] Aircraft Delivery Description, Price and Advance Payments," is hereby deleted in its entirety and

BOEING PROPRIETARY

replaced with a new Table 1-7 titled "[****] Aircraft Delivery Description, Price and Advance Payments," attached hereto, referencing SA-36 in the footer.[1]

3. Letter Agreement.

3.1 [****]. Letter Agreement No. AAL-PA-03735-LA-2306975R1 is hereby deleted in its entirety and replaced with Letter Agreement No. AAL-PA-03735-LA-2306975R2 (attached hereto) entitled "[****]", (**Revised** [****] **Letter Agreement**), referencing SA-36 in the footer, to reflect [****] (as defined in the [****]) for each of the [****] Aircraft listed in the table above and to memorialize the parties [****] in Section 2.2(iii) of the [****] related to the [****] for the [****] Aircraft. The Revised [****] Letter Agreement is hereby incorporated into the Purchase Agreement.

3.2 [****]. Letter Agreement No. AAL-PA-03735-LA-1106654R1 is hereby deleted in its entirety and replaced with Letter Agreement No. AAL-PA-03735-LA-1106654R2 (attached hereto) entitled "[****]", (**Revised** [****] **Letter Agreement)**, referencing SA-36 in the footer, to reflect updates to the addresses and requirements for notices required by Article 11 "Notices" of the AGTA. The Revised [****] Letter Agreement is hereby incorporated into the Purchase Agreement.

3.3 [****]. Letter Agreement No. AAL-PA-03735-LA-110665R15 is hereby deleted in its entirety and replaced with Letter Agreement No. AAL-PA-03735-LA-1106651R16 (attached hereto) entitled "[****]", (**Revised** [****] **Letter Agreement**), referencing SA-36 in the footer, to reflect the [****] of [****] ([****]) [****] in Attachment B of the Revised [****] Letter Agreement. The Revised [****] Letter Agreement is hereby incorporated into the Purchase Agreement.

4. [****].

Upon execution of this SA-36, [****]. [****] for the [****] Aircraft, [****] in this SA-36, will be [****] with the [****].

5. Miscellaneous.

5.1 The Purchase Agreement is amended and supplemented as set forth above by the revised Table of Contents, Revised [****] Letter Agreement and the new Table 1-7. All other terms and conditions of the Purchase Agreement remain unchanged and are in full force and effect.

5.2 References in the Purchase Agreement and any supplemental agreements and associated letter agreements to the letter agreement listed in the left column of the below table shall be deemed to refer to the corresponding revised versions of the supplemental exhibits and letter agreement listed in the right column of the below table.

[1] The parties note that the prior convention for updating tables has been for each new version to be labeled Table 1-XXRX; however, for ease of reference, the parties have decided to no longer add the RX to the end of the Table reference.

BOEING PROPRIETARY

Reference	Replacement Reference
Letter Agreement No. AAL-PA-03735-LA- AAL-PA-03735-LA-2306975R1	Letter Agreement No. AAL-PA-03735-LA-2306975R2
Letter Agreement No. AAL-PA-03735-LA-1106654R1	Letter Agreement No. AAL-PA-03735-LA-1106654R2
Letter Agreement No. AAL-PA-03735-LA-1106651R15	Letter Agreement No. AAL-PA-03735-LA-1106651R16

5.3 If Boeing or Customer determines that references described in Section 5.2 of this SA-36 should be further amended or other references in the Purchase Agreement and any supplemental agreements and associated letter agreements need to be amended as a result of this SA-36, then Boeing and Customer will work together for a mutually agreeable solution.

The rest of this page is intentionally left blank

BOEING PROPRIETARY

AGREED AND ACCEPTED this

October 13, 2025

Date

THE BOEING COMPANY	**AMERICAN AIRLINES, INC.**
/s/ The Boeing Company	/s/ American Airlines, Inc.
Signature	Signature
The Boeing Company	American Airlines, Inc.
Printed name	Printed name
Attorney-in-Fact	VP, Financial Planning & Analysis
Title	Title

BOEING PROPRIETARY

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* - This is an intended gap as there are no Letter Agreements LA-1106674 through LA-1106676 incorporated by the Purchase Agreement.

Table 1-7 To
Purchase Agreement No. PA-03735
[****] Aircraft Delivery, Description, Price and Advance Payments

Airframe Model/MTOW:	737-10	[****] pounds	**Detail Specification:**	[****]
Engine Model/Thrust:	CFMLEAP-1B27	[****]pounds	**Airframe Price Base Year/Escalation Formula:**	[****] [****]
Airframe Price:		$[****]	**Engine Price Base Year/Escalation Formula:**	
Optional Features:		$[****]		
Sub-Total of Airframe and Features:		$[****]	**Airframe Escalation Data:**	
Engine Price (Per Aircraft):		$[****]		
Aircraft Basic Price (Excluding BFE/SPE):		$[****]	**Base Year Index (ECI):**	[****]
Buyer Furnished Equipment (BFE) Estimate:		$[****]	**Base Year Index (ECI):**	[****]
In-Flight Entertainment (IFE) Estimate:		$[****]		
LIFT Seats Provided by Boeing (Estimate):		$[****]		
Deposit per Aircraft:		$[****]		

Delivery Date	[****] (if Applicable)^	Number of Aircraft	Escalation Factor (Airframe)	Notes	Nominal Delivery Month	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery)*: At Signing [****]	[****] [****]	[****] [****]	Total [****]
~~[****] 2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****] 2028~~		~~1~~	~~[****]~~		~~Yes~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****] 2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****] 2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****] 2028~~		~~2~~	~~[****]~~		~~Yes~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****] 2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****] 2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****] 2028~~		~~3~~	~~[****]~~		~~Yes~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****] 2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~

Table 1-7 To
Purchase Agreement No. PA-03735
[****] Aircraft Delivery, Description, Price and Advance Payments

Delivery Date	[****] (if Applicable)^ [****] (if Applicable)^ [****] (if Applicable)^	Number of Aircraft	Escalation Factor (Airframe)	Notes	Nominal Delivery Month	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery)*: At Signing [****]	[****] [****]	[****] [****]	Total [****]
~~[****]-2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****]-2028~~		~~3~~	~~[****]~~		~~Yes~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****]-2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****]-2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****]-2028~~		~~2~~	~~[****]~~		~~Yes~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
~~[****]-2028~~			~~[****]~~		~~No~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~	~~$[****]~~
[****]-2028			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028		3	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028		3	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028		3	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2028			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029		2	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	[****]-[****]		[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	[****]-[****]	1	[****]	1	Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	[****]-[****]		[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]

Table 1-7 To
Purchase Agreement No. PA-03735
[****] Aircraft Delivery, Description, Price and Advance Payments

Delivery Date	[****] (if Applicable)^ [****] (if Applicable)^ [****] (if Applicable)^	Number of Aircraft	Escalation Factor (Airframe)	Notes	Nominal Delivery Month	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery)*: At Signing [****]	[****] [****]	[****] [****]	Total [****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029		1	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	[****]-[****]		[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	[****]-[****]	2	[****]	1	Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	[****]-[****]		[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029		2	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029		1	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	**[****]-[****]**		**[****]**		**No**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**
[****]-2029	**[****]-[****]**	**3**	**[****]**	**1**	**Yes**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**
[****]-2029	**[****]-[****]**		**[****]**		**No**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029		2	[****]	2	Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	**[****]-[****]**		**[****]**		**No**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**
[****]-2029	**[****]-[****]**	**3**	**[****]**	**1, 2**	**Yes**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**
[****]-2029	**[****]-[****]**		**[****]**		**No**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**

Table 1-7 To
Purchase Agreement No. PA-03735
[****] Aircraft Delivery, Description, Price and Advance Payments

Delivery Date	[****] (if Applicable)^ [****] (if Applicable)^ [****] (if Applicable)^	Number of Aircraft	Escalation Factor (Airframe)	Notes	Nominal Delivery Month	Escalation Estimate Adv Payment Base Price Per A/P	Advance Payment Per Aircraft (Amts. Due/Mos. Prior to Delivery)*: At Signing [****]	[****] [****]	[****] [****]	Total [****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029		1	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029	**[****]-[****]**		**[****]**		**No**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**
[****]-2029	**[****]-[****]**	**2**	**[****]**	**1**	**Yes**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**
[****]-2029	**[****]-[****]**		**[****]**		**No**	**$[****]**	**$[****]**	**$[****]**	**$[****]**	**$[****]**
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029		1	[****]		Yes	$[****]	$[****]	$[****]	$[****]	$[****]
[****]-2029			[****]		No	$[****]	$[****]	$[****]	$[****]	$[****]
Total:		30								

*[****]

^[****]

Notes:

1 - [****]

2 – [****]

The Boeing Company
P.O. Box 3707
Seattle, WA 98124-2207

AAL-PA-03735-LA-1106651**R16**

American Airlines, Inc.
P.O. Box 619616
Dallas-Fort Worth Airport, Texas 75261-9616

Subject: [****]

Reference: Purchase Agreement No. 03735 (***Purchase Agreement***) between The Boeing Company (***Boeing***) and American Airlines, Inc. (***Customer***) relating to Model 737 MAX aircraft (***Aircraft***)

This letter agreement (***Letter Agreement***) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement shall have the same meaning as in the Purchase Agreement.

1. Right to Purchase [****].

Subject to the terms and conditions contained in this Letter Agreement, in addition to the Aircraft described in [****] to the Purchase Agreement as of the date of execution of this Letter Agreement, [****] ([****]) and [****] ([****]). As of the Effective Date (as defined in Supplemental Agreement No. 34 to the Purchase Agreement (***SA-34***)) of SA-34 to the Purchase Agreement, there are [****].

6. [****].

6.1 Intentionally Omitted.

6.2 Intentionally Omitted.

6.3 [****]. The [****] with [****] ([****]) in [****] ([****]) [****] for each [****] are listed in Attachment B to this Letter Agreement. No later than [****] to the [****] in each calendar [****] for years [****], Boeing will provide written notice setting forth [****] with a [****] in such calendar [****] ([****]). However, [****], the [****] for such [****] will be [****]. Such notice will constitute an amendment to Attachment B to this Letter Agreement.

7. [****].

7.1 Subject to the provisions of Section 3.2 below, the [****] the Detail Specification for the Aircraft [****] at the time of [****] (as defined in Section 8 below). Such Detail Specification will be revised to include:

(i) [****],

(ii) [****], and
(iii) [****].

BOEING AND AMERICAN PROPRIETARY

7.2 [****] the right to [****] the [****] starting from a [****]; [****] which would result pursuant to the provisions of Section 3.1 above.

8. [****].

8.1 The [****] for each of the [****] to this Letter Agreement.

8.2 The [****] for each of the [****] shall be [****] ([****]) [****].

8.3 The [****] shall be developed in accordance with the terms of the Purchase Agreement and determined at the time of [****].

9. [****].

9.1 [****].

9.2 [****].

9.3 [****].

10. Reserved.

11. [****].

11.1 Customer may [****] to Boeing [****] ([****]):

11.1.1 Intentionally Omitted.

11.1.2 [****].

11.2 Reserved.

12. [****].

12.1 [****]t.

12.2 Reserved.

12.2.1 Reserved.

8.2.2 Reserved.

8.3 Reserved.

8.3.1 Reserved.

13. Assignment.

Notwithstanding any other provisions of the Purchase Agreement, the rights and obligations described in this Letter Agreement are provided to Customer in consideration of Customer's becoming the operator of the Aircraft and cannot be assigned in whole or, in part, without the prior written consent of Boeing.

14. Confidential Treatment.

The information contained herein represents confidential business information and has value precisely because it is not available generally or to other parties. This Letter Agreement shall be subject to the terms and conditions of Letter Agreement No. AAL-PA-03735-LA-1106670R1 entitled "Confidentiality".

Very truly yours,

THE BOEING COMPANY

/s/ The Boeing Company

By: The Boeing Company

Its: Attorney-In-Fact

BOEING AND AMERICAN PROPRIETARY

ACCEPTED AND AGREED TO this

Date: October 13, 2025

AMERICAN AIRLINES, INC.

/s/ American Airlines, Inc.

By: American Airlines, Inc.

Its: VP, Financial Planning & Analysis

Attachments:
Attachment A – Intentionally Omitted.
Attachment B – 737-10 [****] Aircraft

BOEING AND AMERICAN PROPRIETARY

Attachment B To
Letter Agreement No. AAL-PA-03735-LA-1106651R15
737-10 [****] Aircraft Delivery, Description, Price and Advance Payments

Airframe Model/MTOW:	737-10	[****		**Configuration Specification:**	[****]
Engine Model/Thrust:	CFMLEAP-1B27	[****]		**Airframe Price Base Year/Escalation Formula:**	[****] [****]
Airframe Price:			$[****]	**Engine Price Base Year/Escalation Formula:**	
Optional Features Estimate:			$[****]		
Sub-Total of Airframe and Features:			$[****]	**Airframe Escalation Data:**	
Engine Price (Per Aircraft):			$[****]	**Base Year Index (ECI):**	[****]
Aircraft Basic Price (Excluding BFE/SPE):			$[****]	**Base Year Index (CPI):**	[****]
Buyer Furnished Equipment (BFE) Estimate:			$[****]		
Seller Purchased Equipment (SPE)/In-Flight Entert			$[****]		
Non-Refundable Deposit/Aircraft:			$[****]		

Delivery Date	Number of Aircraft	Nominal Delivery Month
[****]-2029		No
[****]-2029	2	Yes
[****]-2029		No
[****]-2029		No
[****]-2029	1	Yes
[****]-2029		No
[****]-2029		No
[****]-2029	1	Yes
[****]-2029		No
[****]-2029		No
[****]-2029	1	Yes
[****]-2029		No
[****]-2029		No
[****]-2029	1	Yes
[****]-2029		No
[****]-2030		No
[****]-2030	2	Yes
[****]-2030		No
[****]-2030		No
[****]-2030	1	Yes
[****]-2030		No
[****]-2030		No
[****]-2030	2	Yes
[****]-2030		No

Attachment B To
Letter Agreement No. AAL-PA-03735-LA-1106651R15
737-10 [****] Aircraft Delivery, Description, Price and Advance Payments

Delivery Date	Number of Aircraft	Nominal Delivery Month
[****]-2030		No
[****]-2030	1	Yes
[****]-2030		No
[****]-2030		No
[****]-2030	1	Yes
[****]-2030		No
[****]-2030		No
[****]-2030	1	Yes
[****]-2030		No
[****]-2030		No
[****]-2030	1	Yes
[****]-2030		No
[****]-2030		No
[****]-2030	2	Yes
[****]-2030		No
[****]-2030		No
[****]-2030	1	Yes
[****]-2030		No
[****]-2031		No
[****]-2031	3	Yes
[****]-2031		No
[****]-2031		No
[****]-2031	1	Yes
[****]-2031		No
[****]-2031		No
[****]-2031	3	Yes
[****]-2031		No
[****]-2031		No
[****]-2031	1	Yes
[****]-2031		No
[****]-2031		No
[****]-2031	2	Yes
[****]-2031		No
[****]-2031		No
[****]-2031	1	Yes
[****]-2031		No
[****]-2031		No
[****]-2031	1	Yes
[****]-2031		No

Attachment B To
Letter Agreement No. AAL-PA-03735-LA-1106651R15
737-10 [****] Aircraft Delivery, Description, Price and Advance Payments

Delivery Date	Number of Aircraft	Nominal Delivery Month
[****]-2031		No
[****]-2031	**2**	Yes
[****]-2031		No
[****]-2031		No
[****]-2031	1	Yes
[****]-2031		No
[****]-2032		No
[****]-2032	2	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	2	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	**4**	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	**3**	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	**2**	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	2	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	1	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	1	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	1	Yes
[****]-2032		No
[****]-2032		No
[****]-2032	1	Yes
[****]-2033		No
[****]-2033		No
[****]-2033	1	Yes
[****]-2033		No

Attachment B To
Letter Agreement No. AAL-PA-03735-LA-1106651R15
737-10 [****] Aircraft Delivery, Description, Price and Advance Payments

Delivery Date	Number of Aircraft	Nominal Delivery Month
[****]-2033		No
[****]-2033	1	Yes
[****]-2033		No
[****]-2033		No
[****]-2033	1	Yes
[****]-2033		No
[****]-2033		No
[****]-2033	1	Yes
[****]-2033		No
[****]-2033		No
[****]-2033	2	Yes
[****]-2033		No
[****]-2033		No
[****]-2033	1	Yes
[****]-2033		No
[****]-2033		No
[****]-2033	2	Yes
[****]-2033		No
[****]-2033		No
[****]-2033	1	Yes
[****]-2033		No
[****]-2034		No
[****]-2034	2	Yes
[****]-2034		No
[****]-2034		No
[****]-2034	1	Yes
[****]-2034		No
[****]-2034		No
[****]-2034	1	Yes
[****]-2034		No
[****]-2034		No
[****]-2034	1	Yes
[****]-2034		No
[****]-2034		No
[****]-2034	1	Yes
[****]-2034		No
[****]-2034		No
[****]-2034	2	Yes
[****]-2034		No

Attachment B To
Letter Agreement No. AAL-PA-03735-LA-1106651R15
737-10 [****] Aircraft Delivery, Description, Price and Advance Payments

Delivery Date	Number of Aircraft	Nominal Delivery Month
[****]-2034		No
[****]-2034	1	Yes
[****]-2034		No
[****]-2034		No
[****]-2034	1	Yes
[****]-2034		No
[****]-2034		No
[****]-2035	1	Yes
[****]-2035		No
[****]-2035		No
[****]-2035	1	Yes
[****]-2035		No
[****]-2035		No
[****]-2035	2	Yes
[****]-2035		No
[****]-2035		No
[****]-2035	1	Yes
[****]-2035		No
[****]-2035		No
[****]-2035	2	Yes
[****]-2035		No
[****]-2035		No
[****]-2035	1	Yes
[****]-2035		No
[****]-2035		No
[****]-2035	3	Yes
[****]-2035		No
[****]-2035		No
[****]-2035	2	Yes
[****]-2035		No
[****]-2035		No
[****]-2035	2	Yes
[****]-2035		No
Total:	87	

Note: [****] to Letter Agreement No. AAL-PA-3735-11066508R8

The Boeing Company
P.O. Box 3707
Seattle, WA 98124-2207

AAL-PA-03735-LA-2306975**R2**

American Airlines, Inc.
P.O. Box 619616
Dallas-Fort Worth Airport, Texas 75261-9616

Subject: [****] – [****]

Reference: Purchase Agreement No. 03735 (***Purchase Agreement***) between The Boeing Company (***Boeing***) and American Airlines, Inc. (***Customer***) relating to Model 737 MAX aircraft (***Aircraft***)

This letter agreement (***Letter Agreement***) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement will have the same meaning as in the Purchase Agreement.

1. Definitions.

[****] means [****] ([****]) and [****] pursuant to Letter Agreement No. AAL-PA-03735-LA-1106651R16 entitled "[****]".

[****] means [****] pursuant to Letter Agreement No. AAL-PA-03735-LA-2306978 entitled "[****]".

[****] means [****] to the Purchase Agreement as of the date of this Letter Agreement.

15. [****]. [****] Section 2.1 of the Purchase Agreement, Boeing will [****], [****], or [****]. However, if Boeing [****], or [****] as set forth in the proceeding sentence, the [****], [****], or [****].

16. [****].

16.1 [****]. [****], Boeing will [****]:

16.1.1 [****]. A [****] ([****]) in the [****] ([****]). The [****] ([****]) and will be [****].

16.1.2 [****]. A [****] ([****]) in the [****] ([****]). Customer [****].

16.1.3 [****]. A [****] ([****]) in the [****] ([****]), [****] (**MTOW**) of [****] [****]) of [****], and [****] ([****]) of [****], in [****]. The [****] ([****]) [****] to the Purchase Agreement in accordance with the terms and conditions of the Purchase Agreement. The [****] to the Purchase Agreement in accordance with the terms and conditions of the Purchase Agreement [****]. In the event Customer [****].

16.1.4 [****]. An [****] ([****]) in the [****] ([****]). The [****].

16.1.5 [****]. For [****] noted in [****] (as defined in the [****] LA, as defined below), Boeing will [****] in accordance with and as described in [****] of Letter

BOEING AND AMERICAN PROPRIETARY

Agreement No. AAL-PA-3735-2306984, as amended, entitled "[****]" (the [****] ***LA***) in the [****] ([****]) on [****] (as defined in the [****] LA) as shown below:

[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]

16.2 [****]. The [****] for any and all [****] will be [****] in accordance with Article 2.2(iii) of the [****] LA.

17. [****] – [****]

17.1 [****]. At the [****], Boeing will [****]:

17.1.1 [****]. An [****] ([****]) in the [****] ([****]). The [****] ([****]) and will be [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.1.2 [****]. An [****] ([****]) in the [****] ([****]), [****], [****], [****]. The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****]. The [****], [****], and [****] ([****]) [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****]. In the event [****], [****] and [****], the [****].

17.1.3 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.1.4 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.1.5 [****]. In [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.1.6 [****]. In [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.1.7 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

BOEING AND AMERICAN PROPRIETARY

17.2 [****]. At the [****], Boeing [****]:

17.2.1 [****]. [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.2.2 [****]. [****] ([****]) in the [****] ([****]), [****], and [****], in [****]. The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****]. The [****], the [****], and the [****] ([****]) [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement. In the event [****], [****] and [****], the [****].

17.2.3 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.2.4 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the for the [****].

17.2.5 [****]. In [****], a [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.2.6 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.3 [****]. At the [****], Boeing will [****]:

17.3.1 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.3.2 [****]. A [****] ([****]) in the [****] ([****]), [****], [****], and [****], in [****]. The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****]. In the event [****], [****] and [****], the [****]. The [****], the [****], and the [****] ([****]) [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.3.3 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

17.3.4 [****]. A [****] ([****]) in the [****] ([****]). The [****] set forth in the Purchase Agreement and in accordance with the terms and conditions of the Purchase Agreement for the [****].

18. [****].

18.1 If [****] of the following [****] Aircraft that is to be delivered by Boeing to Customer, [****] Aircraft [****], Boeing [****] ([****]) in the [****] ([****]):

i) [****]; and
ii) [****]; and
iii) [****].

18.2 The [****] [****]).

19. [****]. [****], [****] ([****]) in the [****] ([****]). Customer [****] for [****].

BOEING AND AMERICAN PROPRIETARY

20. [****].

Unless otherwise noted above, [****] pursuant to Article 3, Article 4, and Article 5 above may, [****], be [****] (i) [****], or (ii) [****] ([****]). For the avoidance of doubt and notwithstanding the foregoing, the [****] described in Article 3.1.5, above, [****].

21. Assignment.

The Credit Memoranda described in this Letter Agreement are provided as a financial accommodation to Customer and in consideration of Customer becoming the operator of the Aircraft. This Letter Agreement cannot be assigned, in whole or in part, without the prior written consent of Boeing.

22. Confidentiality.

The information contained herein represents confidential business information and has value precisely because it is not available generally or to other parties. This Letter Agreement shall be subject to the terms and conditions of Letter Agreement No. AAL-PA-03735-LA-1106670R1 entitled "Confidentiality".

[Intentionally Left Blank]

ACCEPTED AND AGREED TO this

Date: October 13, 2025

AMERICAN AIRLINES, INC.		THE BOEING COMPANY	
By:	/s/ American Airlines, Inc.	By:	/s/ The Boeing Company
Name:	American Airlines, Inc.	Name:	The Boeing Company
Title:	VP, Financial Planning & Analysis	Title:	Attorney-In-Fact

BOEING AND AMERICAN PROPRIETARY

The Boeing Company
P.O. Box 3707
Seattle, WA 98124-2207

AAL-PA-03735-LA-1106654**R2**

American Airlines, Inc.
P.O. Box 619616
Dallas-Fort Worth Airport, Texas 75261-9616

Subject: [****]

Reference: Purchase Agreement No. 03735 (***Purchase Agreement***) between The Boeing Company (***Boeing***) and American Airlines, Inc. (***Customer***) relating to Model 737 MAX aircraft (***Aircraft***)

This letter agreement (***Letter Agreement***) amends and supplements the Purchase Agreement. All terms used but not defined in this Letter Agreement shall have the same meaning as in the Purchase Agreement.

1. AGTA Basic Articles.

1.1.1 Article 2.1.1, "Airframe Price," of the basic articles of the AGTA is revised to read as follows: ***Airframe Price*** is defined as the price of the airframe for a specific model of Aircraft described in a Purchase Agreement. [****]

1.1.2 Article 2.1.3, "Engine Price" of the basic articles of the AGTA is revised to read as follows: ***Engine Price*** is defined as the price set by the Engine Supplier for a specific Engine to be installed on the model of Aircraft described in a Purchase Agreement [****].

1.1.3 Article 2.1.5, "Escalation Adjustment" of the basic articles of the AGTA is revised to read as follows: "***Escalation Adjustment*** is defined as the aggregate price adjustment to the Airframe Price (which includes the basic engine price for Models [****]) and the Optional Features Prices resulting from the calculation using the economic price formula contained in the Airframe and Optional Features Escalation Adjustment supplemental exhibit to the applicable purchase agreement. The price adjustment to the Engine Price for all other models of aircraft will be calculated using the economic price formula in the Engine Escalation Adjustment supplemental exhibit to the applicable purchase agreement."

1.1.4 Article 9.2, "[****]", is revised to read as follows:

"9.2 [****]"

1.1.5 Article 11, "Notices", is revised to read as follows:

11. Notices. All notices required by this AGTA or any applicable purchase agreement will be written in English, will be effective on the date of receipt, and may be transmitted by the following, each addressed as set forth below: (i) [****]; (ii) [****]; (iii) [****]:

BOEING AND AMERICAN PROPRIETARY

Customer: American Airlines, Inc.

Email: [****] and
[****] (or [****])

Courier address:
American Airlines, Inc.
[****]
[****]
Attn: [****],[****]

Boeing	Delivery or Courier:	Boeing Commercial Airplanes [****] [****] [****] [****] Attention: [****]
	Mail:	Boeing Commercial Airplanes [****] [****] [****] Attention: [****] [****]
	Email:	[****]

2. Appendices to the AGTA.

2.1 In Appendix I, entitled “SAMPLE Insurance Certificate”, the Combined Single Limit Bodily Injury and Property Damage: U.S. Dollars ($) any one occurrence each Aircraft (with aggregates as applicable) is [****] in [****].

2.2 Appendix II, entitled “Purchase Agreement Assignment” is hereby deleted in its entirety and replaced with the attached Revised Appendix II.

2.3 Appendix III, entitled “Manufacturer’s Consent and Agreement to Assignment of Warranties” is hereby deleted in its entirety and replaced with the attached Revised Appendix III.

3. Exhibit C to the AGTA, “Product Assurance Document”.

BOEING AND AMERICAN PROPRIETARY

Solely for purposes of the Purchase Agreement, [****] are added to the [****] column in the table set forth in the existing Article 3.1 of Part 2 of Exhibit C to the AGTA.

4. [****].

[****].

5. Confidential Treatment.

Customer understands and agrees that the information contained herein represents confidential business information and has value precisely because it is not available generally or to other parties. This Letter Agreement shall be subject to the terms and conditions of Letter Agreement No. AAL-PA-03735-LA-1106670R1 entitled "Confidentiality".

Very truly yours,

THE BOEING COMPANY

/s/ The Boeing Company

By: The Boeing Company

Its: Attorney-In-Fact

ACCEPTED AND AGREED TO this

Date: October 13, 2025

AMERICAN AIRLINES, INC.

/s/ American Airlines, Inc.

By: American Airlines, Inc.

Its: VP, Financial Planning & Analysis

FIRST AMENDMENT TO TERM LOAN CREDIT AND GUARANTY AGREEMENT

FIRST AMENDMENT TO TERM LOAN CREDIT AND GUARANTY AGREEMENT (this "**Amendment**"), entered into as of June 26, 2023, among AADVANTAGE LOYALTY IP LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands, as co-borrower ("**Loyalty Co**"), AMERICAN AIRLINES, INC., a Delaware corporation, as co-borrower ("**American**" and together with **Loyalty Co**, the "**Borrowers**") and BARCLAYS BANK PLC, as administrative agent (together with its permitted successors and assigns in such capacity, the "**Administrative Agent**").

RECITALS:

A. The Borrowers, the Lenders party thereto, the Administrative Agent and the other agents and arrangers party thereto are parties to that certain Term Loan Credit and Guaranty Agreement, dated as of March 24, 2021 (as amended, supplemented, modified or waived from time to time prior to the Amendment Effective Date, the "**Existing Credit Agreement**"). Each capitalized term used but not defined herein has the meaning assigned to such term in the Credit Agreement.

B. Pursuant to Section 2.09 of the Existing Credit Agreement, the Administrative Agent and the Borrowers have agreed (i) that a Benchmark Transition Event has occurred with respect to USD LIBOR, (ii) that the Benchmark Replacement Date for such Benchmark Transition Event is determined under sub-clause (1)(b) of the definition "Benchmark Replacement Date" contained in the Existing Credit Agreement, (iii) that such Benchmark Replacement Date shall be July 1, 2023 and (iv) to amend the Existing Credit Agreement to adopt and implement an alternative benchmark rate, on the terms and conditions set forth in this Amendment, without any further consent of any other party to the Existing Credit Agreement or any other Loan Document.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Amendment. Subject to the satisfaction of the conditions precedent to the effectiveness of this Amendment set forth in Section 3 hereof, the terms and conditions of Section 4 hereof and the proviso below, the Existing Credit Agreement (excluding the Schedules and Exhibits thereto) is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the blackline attached as Exhibit A hereto; provided that (subject to (i) the satisfaction of such conditions precedent as provided above and (ii) Section 4 hereof) all such amendments shall become effective on July 1, 2023.

Representations and Warranties. Each Borrower represents and warrants to the Administrative Agent and the Lenders on behalf of itself and its Subsidiaries that as of the date hereof and on the Amendment Effective Date, the following statements are true and correct:

the execution, delivery and performance by such Borrower of this Amendment, and the consummation of the transactions contemplated hereby, (i) are within such Borrower's corporate or other organizational powers, (ii) have been duly authorized by all necessary corporate or other organizational action on the part of such Borrower, (iii) require no consent or approval of or action by or in respect of, or registration or filing with, any Governmental Authority, except such as have been obtained or made and are in full force and effect or that the failure to obtain in the aggregate would not be reasonably expected to result in a Material Adverse Effect, (iv) do not contravene the organization documents of such Borrower, (v) violate any applicable law or any order or decree of any court or Governmental Authority, other than violations by a Loan Party which would not reasonably be expected to have a Material Adverse Effect; and

this Amendment has been duly executed and delivered by such Borrower and is the legal, valid and binding obligation of such Borrower, enforceable against such Borrower in accordance with its terms, except as enforceability hereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Conditions to Effectiveness of this Amendment. This Amendment shall become effective as of the date hereof (the "**Amendment Effective Date**"); provided that the Administrative Agent shall have received counterparts of this Amendment executed by each Borrower and the Administrative Agent as of such date.

The Administrative Agent shall promptly notify the Borrowers, the Collateral Administrator and the Lenders of the occurrence of the Amendment Effective Date.

Existing Eurodollar Term Loans.

Notwithstanding anything herein or in Exhibit A hereto to the contrary, any Eurodollar Term Loan outstanding as of July 1, 2023 (an "**Existing Eurodollar Term Loan**") shall remain a Term Loan which pays interest with reference to the LIBO Rate (without giving effect to the changes to the Existing Credit Agreement made by this Amendment) until the end of the then current Interest Period applicable to such Existing Eurodollar Term Loan and shall automatically convert to a SOFR Loan in the amount of such Existing Eurodollar Term Loan on the last day of such Interest Period.

Acknowledgment and Consent. Each Borrower hereby acknowledges that it has reviewed the terms and provisions of this Amendment and consents to the amendments set forth herein. Each Borrower hereby confirms that each Loan Document to which it is a party and all Collateral encumbered thereby will continue to guarantee or secure, as the case may be, to the fullest extent possible in accordance with the Loan Documents the payment and performance of all Obligations under each of the Loan Documents to which it is a party. Each Borrower acknowledges and agrees that each of the Loan Documents to which it is a party shall continue in full force and effect and that all of its obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Amendment.

Miscellaneous.

On and after the Amendment Effective Date, each reference in the Existing Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import referring to the Existing Credit Agreement, and each reference in the other Loan Documents to the "Credit Agreement", "thereunder", "thereof" or words of like import referring to the Existing Credit Agreement shall mean and be a reference to the Existing Credit Agreement after giving effect to this Amendment (the "**Credit Agreement**"). This Amendment shall be deemed to be a Loan Document for all purposes.

Except as specifically amended or waived by this Amendment, the Existing Credit Agreement and the other Loan Documents shall remain unchanged and in full force and effect and are hereby ratified and confirmed.

The execution, delivery and performance of this Amendment shall not constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of the Administrative Agent or any Lender under, the Credit Agreement or any of the other Loan Documents, except as specifically provided herein.

The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted by the Credit Agreement.

This Amendment may be executed in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute but one and the same instrument.

Delivery of an executed counterpart of a signature page of this Amendment by telecopy, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment and any other document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent, provided that, the Administrative Agent hereby agrees to accept, and hereby consents to the use of, electronic signatures to this Amendment from all parties hereto.

If any provision of this Amendment is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or

unenforceability, (ii) the other provisions of this Amendment shall remain in full force and effect in such jurisdiction and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

This Amendment shall be construed in accordance with and governed by the law of the State of New York. Section 10.05 of the Credit Agreement is incorporated herein mutatis mutandis.

This Amendment, together with the Credit Agreement and the other Loan Documents, embodies the entire agreement and understanding among the parties with respect to the subject matter hereof and thereof and supersedes all other prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof.

The provisions of Section 1.02 (Other Interpretative Provisions) of the Credit Agreement are incorporated herein mutatis mutandis.

[*Signature Pages Follow.*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their proper and duly authorized officers as of the day and year first above written.

AADVANTAGE LOYALTY IP LTD., a Cayman Islands exempted company with limited liability

By:/s/ Meghan B. Montana

Name: Meghan B. Montana

Title: Director

AMERICAN AIRLINES, INC., a Delaware corporation

By: /s/ Meghan B. Montana

Name: Meghan B. Montana

Title: Senior Vice President and Treasurer

BARCLAYS BANK PLC,
as Administrative Agent

By: /s/ Charlene Saldanha
Name: Charlene Saldanha
Title: Vice President

[Signature page to Amendment]

Exhibit A

TERM LOAN CREDIT AND GUARANTY AGREEMENT

dated as of March 24, 2021

among

AADVANTAGE LOYALTY IP LTD.
and
AMERICAN AIRLINES, INC.,
as Borrowers,

AADVANTAGE HOLDINGS 1, LTD., AADVANTAGE HOLDINGS 2, LTD.,
AMERICAN AIRLINES GROUP INC.,
and
OTHER SUBSIDIARIES OF AMERICAN AIRLINES GROUP INC. FROM TIME TO TIME PARTY HERETO,

as Guarantors,

THE LENDERS PARTY HERETO,

BARCLAYS BANK PLC,
as Administrative Agent,

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,

as Collateral Administrator

GOLDMAN SACHS LENDING PARTNERS LLC,
as Sole Structuring Agent,

BARCLAYS BANK PLC, GOLDMAN SACHS LENDING PARTNERS LLC, and CITIBANK N.A.,
as Joint Lead Arrangers and Bookrunners,

and

BOFA SECURITIES, INC., CREDIT SUISSE LOAN FUNDING LLC, DEUTSCHE BANK SECURITIES INC., ICBC STANDARD BANK PLC, JPMORGAN CHASE BANK, N.A.,

[Signature page to Amendment]

MORGAN STANLEY SENIOR FUNDING, INC., SUMITOMO MITSUI BANKING CORPORATION, BNP PARIBAS SECURITIES CORP., CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, HSBC SECURITIES (USA) INC., MUFG UNION BANK, N.A., STANDARD CHARTERED BANK, U.S. BANK NATIONAL ASSOCIATION, and BOKF, NA dba BANK OF TEXAS,

as Joint Bookrunners

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TERM LOAN CREDIT AND GUARANTY AGREEMENT, dated as of March 24, 2021, among AADVANTAGE LOYALTY IP LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands, as co-borrower ("**Loyalty Co**"), AMERICAN AIRLINES, INC., a Delaware corporation, as co-borrower ("**American**" and together with Loyalty Co, the "**Borrowers**"), AMERICAN AIRLINES GROUP INC. ("**Parent**"), as a Guarantor, each of the direct and indirect Subsidiaries of Parent from time to time party hereto as a Guarantor, each of the several banks and other financial institutions or entities from time to time party hereto as a lender (the "**Lenders**"), BARCLAYS BANK PLC, as administrative agent for the Lenders (together with its permitted successors and assigns in such capacity, the "**Administrative Agent**") and WILMINGTON TRUST, NATIONAL ASSOCIATION, as collateral administrator (in such capacity, together with its permitted successor and assigns in such capacity, the "**Collateral Administrator**").

INTRODUCTORY STATEMENT

The Borrowers have applied to the Lenders for a term loan facility of $3,500,000,000 as set forth herein.

The proceeds of the Term Loans will be used to pay related transaction costs, fees and expenses, to fund the Reserve Account (as defined below) and to provide the American Intercompany Loan (as defined below) to American, as borrower, which may be used (i) to repay indebtedness under that certain Loan and Guarantee Agreement dated September 25, 2020, as amended from time to time, by and among American and Parent and the U.S. Department of Treasury as a lender and certain other revolving indebtedness and (ii) any general corporate purposes deemed necessary by American.

Accordingly, the parties hereto hereby agree as follows:

SECTION 1.

DEFINITIONS

Section 1.01 Defined Terms. Unless otherwise defined herein, terms defined in the Collateral Agency and Accounts Agreement shall have the same meaning when used herein (including in the introductory statement) notwithstanding any termination thereof. When used herein, the following terms shall have the following meanings:

"**40 Act**" shall mean the Investment Company Act of 1940, as amended.

"**AAdvantage Agreements**" shall mean all currently existing, future and successor co-branding agreements, partnering agreements, airline-to-airline frequent flyer program agreements, or similar agreements related to or entered into in connection with the AAdvantage Program, including each Material AAdvantage Agreement, but excluding (i) any American Airline Business Agreements and (ii) any Retained Agreements.

"**AAdvantage Customer Data**" shall mean all data owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by American, Loyalty

Co, Parent or its Subsidiaries and used, generated or produced, now or in the future, as part of the AAdvantage Program, including all of the following: (a) a list of all members of the AAdvantage Program; and (b) the AAdvantage Member Profile Data for each member of the AAdvantage Program, but excluding American Traveler Related Data; *provided* that, for the avoidance of doubt, customer name, contact information (including name, mailing address, email address and phone numbers), passport information, customer login to the aa.com website or any successor website and any American mobile applications and communication consent preferences related to AAdvantage Program communications, in each case, solely for AAdvantage Program members as AAdvantage Program members, may be included in both AAdvantage Customer Data and American Traveler Related Data.

"**AAdvantage Customer Database**" shall have the meaning set forth in Section 4.03(b).

"**AAdvantage Intellectual Property**" shall mean (a) AAdvantage Customer Data and (b)(i) the proprietary source code set forth on Schedule 1.01(c), (ii) the registered trademarks and trademark applications set forth on Schedule 1.01(c), (iii) the issued patents and patent applications set forth on Schedule 1.01(c), (iv) the registered copyrights set forth on Schedule 1.01(c), and (v) other data, proprietary source code, registered trademarks, issued patents, registered copyrights and applications for the foregoing that are owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by Loyalty Co, American, Parent or any of Parent's Subsidiaries that are used in the AAdvantage Program and which are required to be contributed to Loyalty Co from time to time as set forth in Section 5.07 of this Agreement. For the avoidance of doubt, the AAdvantage Intellectual Property set forth in clause (b) above shall exclude all Airlines Business Intellectual Property.

"**AAdvantage Member Profile Data**" shall mean, with respect to each member of the AAdvantage Program, such member's (a) name, mailing address, email address, and phone numbers, (b) communication and promotion opt-ins, (c) total miles balance, (d) third party engagement history, (e) accrual and redemption activity, (f) AAdvantage Program account number, ID number and/or login, and (g) annual member status (e.g., elite, etc.).

"**AAdvantage Program**" shall mean any Loyalty Program which is operated, owned or controlled, directly or indirectly by Loyalty Co, American, Parent or any of its subsidiaries, or principally associated with Loyalty Co, American, Parent or any of its subsidiaries, as in effect from time to time, whether under the "AAdvantage" name or otherwise, in each case including any successor program but excluding any Specified Minority Owned Program and Permitted Acquisition Loyalty Program.

"**AAdvantage Revenues**" shall mean, with respect to any period, the aggregate amount of payments in cash payable to Parent or any of its Subsidiaries attributable to the AAdvantage Program during such period (including any payments in cash attributable to the Retained Agreements and the Intercompany Agreement).

"**ABR Term Loan**" shall mean any Term Loan bearing interest at a rate determined by reference to the Alternate Base Rate.

"ABR Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"**Account**" shall mean all "accounts" as defined in the UCC, and all rights to payment for interest (other than with respect to debt and credit card receivables).

"**Account Control Agreements**" shall mean each multi-party security and control agreement (including the Collateral Agency and Accounts Agreement) entered into by any Grantor to satisfy the obligation of such Grantor as set forth in any Senior Secured Debt Document, a financial institution which maintains one or more deposit accounts or securities accounts of such Grantor and the Master Collateral Agent or the Collateral Administrator, as applicable, that have been pledged as Collateral hereunder or under any other Loan Document, in each case giving the Master Collateral Agent or Collateral Administrator, as applicable, "control" (as defined in Section 9-104 or 9-106 of the UCC) over the applicable account and in form and substance reasonably satisfactory to the Collateral Controlling Party and the Master Collateral Agent.

"Adjusted Term SOFR" means, for purposes of any calculation and subject to the provisions of Section 2.09(a), the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.

"**Administrative Agent**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Affected Financial Institution**" shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution.

"**Affiliate**" shall mean, as to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings. No Person (other than Parent or any Subsidiary of Parent) in whom a Receivables Subsidiary makes an Investment in connection with a Qualified Receivables Transaction will be deemed to be an Affiliate of Parent or any of its Subsidiaries solely by reason of such Investment. A specified Person shall not be deemed to control another Person solely because such specified Person has the right to determine the aircraft flights operated by such other Person under a code sharing, capacity purchase or similar agreement. No entity shall be deemed an Affiliate of any Loan Party solely because Maples Corporate Services Limited or Walkers Fiduciary Limited or any of their Affiliates acts as administrator, registered office provider or share trustee or provides independent director services to such entity.

"**Affiliate Transaction**" shall have the meaning set forth in Section 6.05.

"**Agents**" shall mean each of the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and the Depositary.

"**Aggregate Exposure**" shall mean, with respect to any Lender at any time, an amount equal to (a) until the funding of the Initial Term Loans, the aggregate amount of such Lender's Term Loan Commitments at such time and (b) thereafter the sum of, (i) the aggregate then-outstanding principal amount of such Lender's Term Loans and (ii) the aggregate amount of such Lender's Term Loan Commitments with respect to each Class of Term Loans (if any) then in effect.

"**Aggregate Exposure Percentage**" shall mean, with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender's Aggregate Exposure at such time to the Aggregate Exposure of all Lenders at such time.

"**Agreement**" shall mean this Term Loan Credit and Guaranty Agreement.

"**Aircraft Related Equipment**" shall mean aircraft (including engines, airframes, propellers and appliances), engines, propellers, spare parts, aircraft parts, Flight Simulators and other training devices, QEC Kits, passenger loading bridges, other flight or Ground Service Equipment.

"**Airline/Parent Merger**" shall mean the merger or consolidation, if any, of Parent with any Subsidiary of Parent.

"**Airlines Business Intellectual Property**" shall mean any and all Intellectual Property used in the operation of the American airline business that, even if used in connection with the AAdvantage Program, would be required or necessary to operate the American airline business in the absence of a Loyalty Program, including the following Intellectual Property: (a) the AMERICAN, AMERICAN AIRLINES and CONCIERGE KEY marks, the flight symbol and AA as a stock symbol, together with any translations, logos or designs for the foregoing; (b) the aa.com domain name registration and website (including all content and source code that is not otherwise AAdvantage Intellectual Property) and American's social media accounts; (c) the American mobile application; (d) trademarks and domain names used in connection with American's Flagship lounges, Admirals' Clubs and any other lounges or clubs; and (e) the trademarks and domain names pledged or required to be pledged pursuant to the Brand Security Agreement between American and Wilmington Trust, National Association, dated September 25, 2020, as in effect on the Closing Date.

"**Airlines Merger**" shall mean the merger, asset transfer, consolidation or any similar transaction involving one or more airline Subsidiaries of Parent (including, without limitation, any such transaction that results in such Subsidiaries operating under a single operating certificate).

"**Airport Authority**" shall mean any city or any public or private board or other

body or organization chartered or otherwise established for the purpose of administering, operating or managing airports or related facilities, which in each case is an owner, administrator, operator or manager of one or more airports or related facilities.

"**All-In Yield**" shall mean, as to any debt, the yield thereof, whether in the form of interest rate, margin, original issue discount, upfront fees, a ~~LIBOR~~Term SOFR Reference Rate or Alternate Base Rate, or otherwise, in each case, incurred or payable by the Borrowers generally to all the lenders of such Indebtedness; *provided* that upfront fees and original issue discount shall be equated to an interest rate based upon an assumed four year average life to maturity (e.g., 100 basis points of original issue discount equals 25 basis points of interest rate margin for a four year average life to maturity); *provided*, *further*, that "**All-In Yield**" shall exclude any structuring, ticking, unused line, commitment, amendment, consent, underwriting, syndication and arranger fees, other similar fees and other fees not generally paid to all lenders and, if applicable, consent fees paid generally to consenting lenders.

"**Allocation Date**" shall have the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Alternate Base Rate**" shall mean, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day and (b) the sum of the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%; *provided*, in no event shall the Alternate Base Rate be less than zero percent (0%). Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"**Alternative Madrid SPV**" shall have the meaning set forth in Section 4.03(d). "**Alternative Madrid Structure**" shall have the meaning set forth in Section 4.03(d).

"**American**" shall have the meaning set forth in the first paragraph of this Agreement.

"**American Agreements**" shall have the meaning set forth in the definition of "American Case Milestones".

"**American Airline Business Agreements**" shall mean any agreements used to operate the airline business of Parent and its Subsidiaries (other than the SPV Parties) that, even if used in connection with the AAdvantage Program, would be used to operate the American airline business in the absence of a Loyalty Program (but excluding any credit card co-branding, partnering or similar agreements).

"**American Case Milestones**" shall mean that, after the commencement and during the continuance of any proceeding with respect to American under any Bankruptcy Law (the "**Bankruptcy Case**"):

(a) each Loan Party shall continue to perform its respective obligations under the Loan Documents, the American Intercompany Note, the Intercompany Agreement, the IP Agreements and all Material AAdvantage Agreements to which such Loan Party is party (collectively, the "**American Agreements**") and there shall be no material interruption in the flow of funds under the American Agreements in accordance with the terms thereunder; provided, that (i) the performance by the Loan Parties under this clause (a) shall in all respects be subject to any applicable materiality qualifiers, cure rights and/or grace periods provided for under the respective American Agreements, and (ii) the Loan Parties shall have forty-five (45) days from the Petition Date (as defined below) to cure any failure to perform that requires court authorization to perform;

(b) the debtors in respect of the Bankruptcy Case (the "**Debtors**") shall file with the applicable U.S. bankruptcy court (the "**Bankruptcy Court**"), within fifteen (15) days of the date of petition in respect of the Bankruptcy Case (the "**Petition Date**"), a customary and reasonable motion to assume the Intercompany Agreement, the IP Agreements and all Material AAdvantage Agreements to which such Loan Party is party under section 365 of the Bankruptcy Code and continue to perform all obligations under all the American Agreements (such motion, the "**Assumption Motion**"), and shall thereafter pursue (including by contesting any objections to) the approval of the Assumption Motion;

(c) the Bankruptcy Court shall have entered a customary and reasonable final order (the "**Assumption Order**") granting the Assumption Motion, within sixty (60) days after the Petition Date, and such Assumption Order shall not be amended, stayed (unless the party seeking a stay has posted a cash bond pledged in favor of the Senior Secured Parties (the "**Cash Bond**") in an amount equal to or greater than the maximum amount of the License Termination Payment (as defined in the HoldCo-to-American IP License) that could be asserted if the HoldCo-to-American IP License were to terminate (without reduction for any potential mitigation)), vacated, or reversed;

(d) the parties agree and acknowledge that the Assumption Motion and Assumption Order shall be customary and reasonable and the Assumption Order shall provide, among other things, that: (i) the Debtors are authorized to assume the Intercompany Agreement, the IP Agreements and all Material AAdvantage Agreements to which such Debtor is party and perform all obligations under all of the American Agreements and implement actions contemplated thereby and, pursuant to the Assumption Order, will assume the Intercompany Agreement, the IP Agreements and all Material AAdvantage Agreements to which such Debtor is party pursuant to section 365 of the Bankruptcy Code; (ii) the American Agreements are binding and enforceable against the parties thereto in accordance with their terms, without exception or amendment; (iii) any amounts payable under the American Agreements are actual and necessary costs and expenses of preserving the Debtors' estates and shall be entitled to priority as an allowed administrative expenses of the Debtors pursuant to sections 503(b) and 507(a)(2) of the Bankruptcy Code; (iv) the Debtors must cure any defaults under the American Agreements as a condition to assumption; and (v) the Debtors are authorized to take any action necessary to implement the terms of the Assumption Order;

(e) each of the Debtors and each other Loan Party (i) shall not take any action to materially interfere with the assumption of or performance under the American Agreements,

or support any other Person to take any such action; and (ii) shall take all steps commercially reasonably necessary to contest any action that would materially interfere with the assumption or performance of the American Agreements, including, without limitation, litigating any objections and/or appeals;

(f) each of the Debtors and each other Loan Party (i) shall not file any motion seeking to avoid, disallow, subordinate, or recharacterize any obligation under the American Agreements and (ii) shall take all steps commercially reasonably necessary, to contest any action that would seek to avoid, disallow, subordinate, or recharacterize any obligation under the American Agreements, including, without limitation, litigating any objections and/or appeals;

(g) in the event there is an appeal of the Assumption Order:

(i) if the appeal has not been dismissed within sixty (60) days, then (A) the Reserve Account Required Balance shall increase by an amount equal to the product of (x) the Pro Rata Share and (y) $15,000,000 per month as long as such appeal is pending, up to a cap in an amount equal to the product of (x) the Pro Rata Share and (y) $300,000,000, and (B) such additional amounts accrued pursuant to clause (A) shall be released to American within five (5) Business Days after the end of such appeal; and

(ii) the Debtors shall pursue a court order requiring any appellants to post a Cash Bond in an amount equal to or greater than the maximum amount of the License Termination Payment (as defined in the HoldCo-to-American IP License) that could be asserted if the HoldCo-to-American IP License were to terminate (without reduction for any potential mitigation), to an account held solely for the sole benefit of the Secured Parties and the secured parties in respect of any other Priority Lien Debt;

(h) the Bankruptcy Case shall not be, and is not converted into, a case under chapter 7 of the Bankruptcy Code; and

(i) any plan of reorganization filed or supported by any Debtor shall expressly provide for assumption or reinstatement, as applicable, of all of the American Agreements and reinstatement or replacement of each of the related obligations and/or guarantees, subject to applicable cure periods.

For the avoidance of doubt, notwithstanding the foregoing, during the pendency of and following any stay or appeal of the Assumption Order, each Loan Party must continue to perform all obligations under the American Agreements, including making any and all payments under the American Agreements in accordance with the terms thereof and as described above and, in the event of any such payment default (subject to any applicable cure or grace periods under the applicable American Agreements), nothing shall limit any of the Lenders' rights and remedies including but not limited to any termination rights under the American Agreements.

"**American Intercompany Loan**" shall mean one or more loans made by Loyalty Co to American, as borrower, pursuant to the American Intercompany Note with the proceeds of the Term Loans and notes issued under the Indenture that have been distributed to Loyalty Co.

"**American Intercompany Note**" shall mean that certain Intercompany Note, dated March 24, 2021, executed by American in favor of Loyalty Co and guaranteed by Parent.

"**American Security Agreement**" shall mean that certain American Security Agreement, dated as of the Closing Date, among American and the Master Collateral Agent.

"**American Traveler Related Data**" shall mean (a) data generated, produced or acquired as a result of the issuance, modification or cancellation of customer tickets from American or for flights on American, including data in or derived from "Passenger Name Records" (including name and contact information) associated with flights on American, (b) payment-related information (other than payment-related information relating solely to the AAdvantage Program (such as the purchase of Miles)), and (c) data regarding a customer's flight-related experience, but excluding in the case of clause (a) through (c) information that would not have been generated, produced, acquired or collected in the absence of the AAdvantage Program; provided that for the avoidance of doubt, customer name, contact information (including name, mailing address, email address, and phone numbers), passport information, customer login to the aa.com website or any successor website and any American mobile applications and communication consent preferences related to AAdvantage Program communications, in each case, solely for AAdvantage Program members as AAdvantage Program members, may be included in both AAdvantage Customer Data and American Traveler Related Data.

"**AMR/US Airways Merger**" shall mean the merger contemplated by the AMR/US Airways Merger Agreement.

"**AMR/US Airways Merger Agreement**" shall mean the Agreement and Plan of Merger, dated as of February 13, 2013, among Parent, AMR Merger Sub, Inc. and US Airways Group, Inc., as amended through December 9, 2013.

"**Anti-Money Laundering Laws**" shall have the meaning set forth in Section 3.17(c)

"Applicable Law" shall have the meaning set forth in Section 10.13.

"Applicable Margin" shall mean a rate per annum equal to 4.75% (*provided* that when used in connection with the Alternate Base Rate "**Applicable Margin**" shall mean a rate per annum equal to 3.75%).

"**Applicable Trigger Event**" shall mean any voluntary prepayment of the Term Loans or any mandatory prepayment under clauses (a) or (e) of Section 2.12 of all, or any part, of the principal balance of any Term Loan, in each case, whether in whole or in part and whether before or after the occurrence of an Event of Default or the commencement of any institution of any proceeding under any Bankruptcy Law.

For the avoidance of doubt, any prepayment as a result of an Early Amortization Event or an Event of Default (including as a result of the commencement of an institution of any proceeding under any Bankruptcy Law) shall not constitute an "Applicable Trigger Event".

"**Approved Fund**" shall have the meaning set forth in Section 10.02(b).

"**Approved Independent Director List**" shall mean the list of no fewer than four (4) individuals (with at least two (2) individuals listed under part 1 of such list) that are eligible to act as an Independent Director for the SPV Parties attached hereto as Schedule 1.01(d), which may be updated from time to time by the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) by providing written notice to the Borrowers; *provided* that, with respect to the individuals listed under part 1 of the initial list attached hereto as Schedule 1.01(d) and any updates thereto made by the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) thereafter, the relevant SPV Party may, upon providing thirty (30) days' prior written notice to the Master Collateral Agent, reject up to two (2) listed individuals for any reason, and the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) may thereafter amend the list to replace such individuals; *provided further* that, with respect to the individuals listed under part 2 of the initial list attached hereto as Schedule 1.01(d) and any updates thereto, the Borrowers may (without the consent of any other Person, but with prior written notice to the Administrative Agent), substitute the name of any such individual with the name of any individual customarily serving in the capacity of an independent member, independent director or independent manager and employed by Walkers Fiduciary or another service provider customarily providing fiduciary services for entities incorporated in the Cayman Islands; provided further that in all cases, the Approved Independent Director List shall only include individuals who satisfy the Independent Director Criteria.

"**Approved Independent Director**" shall mean, at any time, each individual listed on the Approved Independent Director List at such time; *provided* that at least one Independent Director for each SPV Party must at all times be selected from part 1 of the Approved Independent Director List; *provided further* that if the ordinary shareholder(s) of an SPV Party reasonably believes that none of the individuals listed on the Approved Independent Director List (or, in the case of selecting a replacement for an Independent Director from part 1 of the Approved Independent Director List, part 1 of the Approved Independent Director List) (i) satisfy clause (c) in the definition of the Independent Director Criteria or (ii) are willing to act as Independent Director at a compensation level reasonably customary for directors of this type (it being agreed that the compensation level commensurate with that of the Independent Director the vacancy of which is being filled shall be deemed reasonably customary), then the ordinary shareholder(s) of the relevant SPV Party may, with the consent of the Administrative Agent, appoint any other Person who meets the Independent Director Criteria as a replacement Independent Director.

"**Assigned AAdvantage Agreement Rights**" shall mean (a) all of American's rights to receive payments under or with respect to each AAdvantage Agreement (other than the Intercompany Agreement) and all payments due and to become due thereunder (including all of American's present and future "accounts", "payment intangibles" and "general intangibles" (as each such term is defined in the UCC in effect from time to time in each relevant jurisdiction) arising under such AAdvantage Agreement), and (b) all of American's other rights, title and interest in, to and under each AAdvantage Agreement (but not its obligations thereunder except, in the case of the Barclays Co-Branded Agreement and the Citi Co-Branded Agreement, to the extent set forth in the applicable Co-Branded Consent) other than the Intercompany Agreement;

provided, *however*, that in the case of clauses (a) and (b), such rights, title and interest in, to and under each such AAdvantage Agreement shall be assigned only to the extent they are permitted to be assigned pursuant to the terms of the relevant AAdvantage Agreement (or any other agreement between American and the counterparty to such AAdvantage Agreement) or, if such assignment is not permitted pursuant to the terms of the relevant AAdvantage Agreement (or such other agreement), then to the extent such rights, title and interest in, to and under such AAdvantage Agreement may be assigned notwithstanding the terms of such AAdvantage Agreement pursuant to the applicable provisions of the UCC (including, without limitation, Sections 9-406 and 9-408) of any relevant jurisdiction.

"**Assignment and Acceptance**" shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.02), and accepted by the Administrative Agent, substantially in the form of Exhibit C.

"**Assumption Motion**" shall have the meaning set forth in the definition of "American Case Milestones".

"**Assumption Order**" shall have the meaning set forth in the definition of "American Case Milestones".

"**Available Funds**" shall mean, with respect to any Payment Date, the sum of (i) the amount of funds allocated to the Term Loans pursuant to the Collateral Agency and Accounts Agreement for such Payment Date and transferred from the Collection Account to the Payment Account on or prior to such Payment Date pursuant to the Collateral Agency and Accounts Agreement, (ii) any amounts transferred to the Payment Account from the Reserve Account for application on such Payment Date, and (iii) any other amount deposited into the Payment Account by or on behalf of any Borrower on or prior to such Payment Date.

"**Available Tenor***"* means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.09(d).

"**Bail-In Action**" shall mean the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Banking Product Obligations**" shall mean, as applied to any Person, any direct or indirect liability, contingent or otherwise, of such Person in respect of any treasury, depository and cash management services, netting services and automated clearing house transfers of funds services, including obligations for the payment of fees, interest, charges, expenses, attorneys' fees and disbursements in connection therewith. Treasury, depository and cash management services, netting services and automated clearing house transfers of funds services include, without limitation: corporate purchasing, fleet and travel credit card and prepaid card programs, electronic check processing, electronic receipt services, lockbox services, cash consolidation, concentration, positioning and investing, fraud prevention services, and disbursement services.

"**Bankruptcy Code**" shall mean the Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. Section 101 et seq.

"**Bankruptcy Court**" shall have the meaning set forth in the definition of "American Case Milestones".

"**Bankruptcy Event**" shall mean, with respect to any Person, such Person becomes the subject of a bankruptcy, winding-up, reorganization, arrangement or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors, liquidator, provisional liquidator or similar Person charged with the reorganization or liquidation of its business appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, *provided* that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, *provided*, *further*, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

"**Bankruptcy Law**" shall mean the Bankruptcy Code or any similar federal, state or foreign law relating to reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other debtor relief, including, without limitation, Part V and sections 86-88 (inclusive) of the Companies Act (as amended) of the Cayman Islands and the Companies Winding Up Rules (as amended) of the Cayman Islands, each as amended from time to time, and any bankruptcy, insolvency, winding up, reorganization or similar law enacted under the laws of the Cayman Islands or any other applicable jurisdiction.

"**Barclays Co-Branded Agreement**" shall mean that certain Co-Branded Credit Card Program Agreement, dated as of July 8, 2016, by and between Barclays Bank Delaware and American (as the same has been or may be amended, amended and restated, supplemented or otherwise modified from time to time, including, without limitation, by the Barclays Co-Branded Consent)

"**Barclays Co-Branded Consent**" shall mean that certain Loyalty Partner Consent to Assignment and Pledge, dated as of the Closing Date, by and among Barclays Bank Delaware, American and Loyalty Co.

"**Benchmark**" shall mean, initially, ~~USD LIBOR~~**the Term SOFR Reference Rate**; provided that if a Benchmark Transition Event ~~or an Early Opt-in Election, as applicable,~~ and its related Benchmark Replacement Date have occurred with respect to ~~USD LIBOR~~**the Term SOFR Reference Rate** or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.09(a).

"**Benchmark Replacement**" ~~shall mean, for any Available Tenor~~**means, with respect to any Benchmark Transition Event**, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) the sum of~~:~~ (~~a~~**i**) ~~Term~~**Daily Simple** SOFR and (~~b~~**ii**) the related Benchmark Replacement Adjustment; **or**

~~(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;~~

~~(3~~

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrowers as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, ~~in~~**if** the ~~case of clause (1), such Unadjusted~~ Benchmark Replacement ~~is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion. If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above~~ would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"**Benchmark Replacement Adjustment**" shall mean, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement~~:~~

(1) ~~(1)~~ for purposes of ~~clauses~~**clause** (1~~) and (2~~) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Administrative Agent:

(a) ~~(a)~~ the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark

with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor; **or**

(b) ~~**(b)**~~ the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) ~~**(2)**~~ for purposes of clause (~~**3**~~**2**) of the definition of "Benchmark Replacement**,**", the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the ~~**Borrowers**~~**Borrower** for the applicable Corresponding Tenor giving due consideration to (**i**~~**i**~~**a**) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (~~**ii**~~**b**) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for ~~**U.S. dollar**~~**Dollar**-denominated syndicated credit facilities **at such time**; provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

"**Benchmark Replacement Conforming Changes**" shall mean, with respect to **either the use or administration of Term SOFR or the use, administration, adoption or implementation of** any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate ," the definition of "**Business Day," the definition of "U.S. Government Securities** Business Day," the definition of "Interest Period**" or any similar or analogous definition (or the addition of a concept of "interest period")**,~~"~~ timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, **the applicability and** length of lookback periods, the applicability **and/or calculation** of breakage ~~**provisions,**~~**costs in accordance with Section 2.15** and other technical, administrative or operational matters) that the Administrative Agent decides (or with respect to any Benchmark Replacement Conforming Changes related to a Non-SOFR Benchmark Replacement, the Administrative Agent, with the

consent of the Borrowers, decides) may be appropriate to reflect the adoption and implementation of **any** such Benchmark Replacement and to permit the **use and** administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of

administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"**Benchmark Replacement Date**" shall mean the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); **or**

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein~~; or~~

~~(3) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders~~.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" shall mean the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**" shall mean the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.09 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.09.

"**Beneficial Owner**" shall have the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "**Beneficially Owns**" and "**Beneficially Owned**" have a corresponding meaning.

"**Beneficial Ownership Certification**" shall mean a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"**Beneficial Ownership Regulation**" shall mean 31 C.F.R. § 1010.230.

"**Benefit Plan**" shall mean any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of Section 3(42) of ERISA or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such

"employee benefit plan" or "plan."

"**BHC Act Affiliate**" shall mean, with respect to any party, an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"**Board**" shall mean the Board of Governors of the Federal Reserve System of the United States.

"**Board of Directors**" shall mean:

1. with respect to a corporation or an exempted company, the board of directors of the corporation or exempted company, as applicable, or any committee thereof duly authorized to act on behalf of such board;

2. with respect to a partnership, the board of directors or other governing body of the general partner of the partnership;

3. with respect to a limited liability company, the managing member or members, manager or managers or any controlling committee of managing members or managers thereof; and

4. with respect to any other Person, the board or committee of such Person serving a similar function.

"**Borrowers**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Borrower-to-HoldCo IP License**" shall mean that certain Intellectual Property License Agreement between Loyalty Co, as licensor, and HoldCo 2, as licensee, substantially in the form attached as Exhibit G-1.

"**Borrowing**" shall mean the incurrence of a single Class of Term Loans made from all the applicable Lenders on a single date.

"**Business Day**" shall mean any day other than a Saturday, Sunday or other day on which commercial banks in New York City, Wilmington, Delaware or such other domestic city in which the corporate trust office of the Collateral Administrator, Collateral Custodian, Master Collateral Agent or the Depositary is located (in each case, as set forth in Section 10.01(a), as such locations may be updated pursuant to Section 10.01(c)) are required or authorized to remain closed; *provided*, that, when used in connection with the borrowing or repayment of a ~~Eurodollar Term~~SOFR Loan, the term "**Business Day**" shall also exclude any day ~~on~~ which ~~banks are~~is not ~~open for dealings in Dollar deposits on the London interbank market~~a U.S. Government Securities Business Day.

"**Capital Lease Obligation**" shall mean, at the time any determination is to be made, the amount of the liability in respect of a lease that would at that time be required to be capitalized and reflected as a liability on a balance sheet prepared in accordance with GAAP, and

the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"**Capital Markets Offering**" shall mean any offering of "securities" (as defined under the Securities Act and, including, for the avoidance of doubt, any offering of pass-through certificates by any pass-through trust established by the Parent or any of its Restricted Subsidiaries) in (a) a public offering registered under the Securities Act, or (b) an offering not required to be registered under the Securities Act (including, without limitation, a private placement under Section 4(a)(2) of the Securities Act, an exempt offering pursuant to Rule 144A and/or Regulation S of the Securities Act and an offering of exempt securities).

"**Capital Stock**" shall mean:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association, exempted company or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person,

but excluding from all of the foregoing clauses (1) through (4) any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"**Cash Bond**" shall have the meaning set forth in the definition of "American Case Milestones".

*"***Cash Equivalents**" shall mean, as of the date acquired, purchased or made, as applicable:

(1) marketable securities or other obligations (a) issued or directly and unconditionally guaranteed as to interest and principal by the United States government or (b) issued or unconditionally guaranteed as to interest and principal by any agency or instrumentality of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within three years after such date;

(2) direct obligations issued by any state of the United States or any political subdivision of any such state or any instrumentality thereof, in each case maturing within three years after such date and having a rating of at least A- (or the equivalent thereof) from S&P or A3

(or the equivalent thereof) from Moody's;

(3) obligations of domestic or foreign companies and their subsidiaries (including, without limitation, agencies, sponsored enterprises or instrumentalities chartered by an Act of Congress, which are not backed by the full faith and credit of the United States), including, without limitation, bills, notes, bonds, debentures, and mortgage-backed securities; provided that, in each case, the security has a maturity or weighted average life of three years or less from such date;

(4) investments in commercial paper maturing no more than one year after such date and having, on such date, a rating of at least A-2 from S&P or at least P-2 from Moody's;

(5) certificates of deposit (including investments made through an intermediary, such as the certificated deposit account registry service), bankers' acceptances, time deposits, ~~Eurodollar~~**eurocurrency** time deposits and overnight bank deposits maturing within three years from such date and issued or guaranteed by or placed with, and any money market deposit accounts issued or offered by, any Lender or by any commercial bank organized under the laws of the United States or any state thereof or the District of Columbia that has a combined capital and surplus and undivided profits of not less than $250,000,000;

(6) fully collateralized repurchase agreements with counterparties whose long term debt is rated not less than A- by S&P and A3 by Moody's and with a term of not more than six months from such date;

(7) Investments in money in an investment company registered under the 40 Act or in pooled accounts or funds offered through mutual funds, investment advisors, banks and brokerage houses which invest its assets in obligations of the type described in clauses (1) through
(6) above, in each case, as of such date, including, but not be limited to, money market funds or short-term and intermediate bonds funds;

(8) shares of any money market mutual fund that, as of such date, (a) complies with the criteria set forth in SEC Rule 2a-7 under the 40 Act and (b) is rated AAA (or the equivalent thereof) by S&P and Aaa (or the equivalent thereof) by Moody's;

(9) auction rate preferred securities that, as of such date, have the highest rating obtainable from either S&P or Moody's and with a maximum reset date at least every 30 days;

(10) investments made pursuant to American's or any of its Restricted Subsidiaries' cash equivalents/short term investment guidelines;

(11) deposits available for withdrawal on demand with commercial banks organized in the United States having capital and surplus in excess of $100,000,000;

(12) securities with maturities of three years or less from such date issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign

government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A2 by Moody's; and

(13) any other securities or pools of securities that are classified under GAAP as cash equivalents or short-term investments on a balance sheet as of such date.

"**Cayman Share Mortgages**" shall mean (i) the equitable mortgage over shares in Loyalty Co, dated the Closing Date, between HoldCo 2 and the Master Collateral Agent, (ii) the equitable mortgage over shares in HoldCo 2, dated the Closing Date, between HoldCo 1 and the Master Collateral Agent, (iii) the equitable mortgage over shares in HoldCo 1, dated the Closing Date, between American and the Master Collateral Agent and (iv) each equitable mortgage over shares in any Subsidiary of Loyalty Co, entered into after the Closing Date, between the immediate parent of such Subsidiary and the Master Collateral Agent.

"**CFC**" shall mean "controlled foreign corporation" within the meaning of Section 957(a) of the Code; *provided*, for the avoidance of doubt, that no SPV Party shall be considered to be a CFC.

"**Change in Law**" shall mean, after the date hereof, (a) the adoption of any law, rule or regulation after the date of this Agreement (including any request, rule, regulation, guideline, requirement or directive promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel II or Basel III) or (b) compliance by any Lender (or, for purposes of Section 2.14(b), by any lending office of such Lender through which Term Loans are issued or maintained or by such Lender's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided* that, notwithstanding anything herein to the contrary, the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof shall be deemed to be a "**Change in Law**," regardless of the date enacted, adopted, issued or implemented.

"**Citi Co-Branded Agreement**" shall mean that certain Co-Branded Credit Card Program Agreement, dated as of June 30, 2016, by and between Citibank, N.A. and American (as the same has been or may be amended, amended and restated, supplemented or otherwise modified from time to time, including, without limitation, by the Citi Co-Branded Consent).

"**Citi Co-Branded Consent**" shall mean that certain Loyalty Partner Consent to Assignment and Pledge, dated as of the Closing Date, by and among Citibank, N.A., American and Loyalty Co.

"**Class**", when used in reference to any Term Loan or Borrowing, shall refer to whether such Term Loan, or the Term Loans comprising such Borrowing, are Initial Term Loans or Incremental Term Loans that are not Initial Term Loans. In addition, any extended tranche of Term Loans shall constitute a Class of Loans separate from which they were converted.

Notwithstanding anything to the contrary, any Term Loans having the exact same terms and conditions shall be deemed a part of the same Class.

"**Closing Date**" shall mean the date on which this Agreement has been executed and the conditions precedent set forth in Section 4.01 have been satisfied or waived.

"**Closing Date AAdvantage Agreement**" shall mean each AAdvantage Agreement in effect as of the Closing Date (including the Barclays Co-Branded Agreement and the Citi Co-Branded Agreement).

"**Co-Branded Consent**" shall mean each of the Barclays Co-Branded Consent and the Citi Co-Branded Consent.

"**Co-Branded Card Agreement(s)**" shall mean that certain America West Co-Branded Card Agreement, dated as of January 25, 2005, between US Airways (as successor in interest to America West Airlines, Inc.) and Barclays Bank Delaware (as successor in interest to Juniper Bank), as amended, restated, supplemented or otherwise modified from time to time, including pursuant to that certain Assignment and First Amendment to the America West Co-Branded Card Agreement, dated as of August 8, 2005, among US Airways, America West Airlines, Inc. and Barclays Bank Delaware (as successor in interest to Juniper Bank) and any other similar agreements entered into by Parent or any of its Subsidiaries from time to time.

"**Code**" shall mean the United States Internal Revenue Code of 1986, as amended from time to time.

"**Collateral**" shall mean the assets and properties of the Grantors upon which Liens have been granted to the Master Collateral Agent or the Collateral Administrator to secure the Obligations, including without limitation all of the "**Collateral**" as defined in the Collateral Documents, but excluding all such assets and properties released from such Liens pursuant to the applicable Collateral Document or otherwise constituting Excluded Property.

"**Collateral Administrator**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Collateral Administrator and Master Collateral Agent Fee Letter**" shall have the meaning set forth in Section 2.19.

"**Collateral Agency and Accounts Agreement**" shall mean that certain Collateral Agency and Accounts Agreement dated as of the Closing Date, among the Borrowers, each Grantor from time to time party thereto, the Depositary, the Collateral Administrator, each other Senior Secured Debt Representative (as defined therein) from time to time party thereto and the Master Collateral Agent, substantially in the form attached as Exhibit A.

"**Collateral Custodian**" shall mean Wilmington Trust, National Association, as account bank with respect to the Payment Account and the Reserve Account, together with its permitted successors and assigns in such capacity.

"**Collateral Documents**" shall mean, collectively, this Agreement, any Account Control Agreements, the Security Agreement, the American Security Agreement, each IP Security Agreement, the Collateral Agency and Accounts Agreement, the Cayman Share Mortgages and other agreements, instruments or documents that create or purport to create a Lien in favor of the Master Collateral Agent or the Collateral Administrator for the benefit of the Secured Parties, in each case, so long as such agreement, instrument or document shall not have been terminated in accordance with its terms.

"**Collateral Sale**" shall mean the Disposition of any Collateral.

"**Collection Account**" shall mean the account of Loyalty Co held at the Depositary with the account name "AAdvantage Loyalty Card Program Collection Account" that is established and maintained at the New York office of the Depositary and under the control of the Master Collateral Agent pursuant to the Collateral Agency and Accounts Agreement.

"**Collections**" shall mean, with respect to any Quarterly Reporting Period, the aggregate amount of Transaction Revenues deposited in the Collection Account during such Quarterly Reporting Period. For the avoidance of doubt, (i) Permitted Deposit Amounts and (ii) any other funds in the Collection Account not constituting Transaction Revenues shall not constitute Collections.

"**Composite Marks**" shall mean (i) the Intellectual Property listed on Schedule 1.01(e) as being Composite Marks and (ii) any new marks that include at least one element of a mark owned by American and at least one element of an existing mark owned directly or indirectly by an SPV Party or one of its Subsidiaries or to which Loyalty Co is exclusively licensed under the Madrid IP License.

"**Connection Income Taxes**" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"**Consolidated EBITDAR**" shall mean, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus, without duplication:

(1) an amount equal to any extraordinary loss plus any net loss realized by such Person or any of its Restricted Subsidiaries in connection with any Disposition of assets, to the extent such losses were deducted in computing such Consolidated Net Income; plus

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; plus

(3) the Fixed Charges of such Person and its Restricted Subsidiaries, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; plus

(4) any foreign currency translation losses (including losses related to currency remeasurements of Indebtedness) of such Person and its Restricted Subsidiaries for such period, to the extent that such losses were deducted in computing such Consolidated Net Income; plus

(5) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash charges and expenses (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) of such Person and its Restricted Subsidiaries to the extent that such depreciation, amortization and other non-cash charges or expenses were deducted in computing such Consolidated Net Income; plus

(6) the amortization of debt discount to the extent that such amortization was deducted in computing such Consolidated Net Income; plus

(7) deductions for grants to any employee of Parent or its Restricted Subsidiaries of any Equity Interests during such period to the extent deducted in computing such Consolidated Net Income; plus

(8) any net loss arising from the sale, exchange or other disposition of capital assets by Parent or its Restricted Subsidiaries (including any fixed assets, whether tangible or intangible, all inventory sold in conjunction with the disposition of fixed assets and all securities) to the extent such loss was deducted in computing such Consolidated Net Income; plus

(9) any losses arising under fuel hedging arrangements entered into prior to the Closing Date and any losses actually realized under fuel hedging arrangements entered into after the Closing Date, in each case to the extent deducted in computing such Consolidated Net Income; plus

(10) proceeds from business interruption insurance for such period, to the extent not already included in computing such Consolidated Net Income; plus

(11) any expenses and charges that are covered by indemnification or reimbursement provisions in connection with any permitted acquisition, merger (including the AMR/US Airways Merger, any Airlines Merger or any Airline/Parent Merger), disposition, incurrence of Indebtedness, issuance of Equity Interests or any investment to the extent (a) actually indemnified or reimbursed and (b) deducted in computing such Consolidated Net Income; plus

(12) non-cash items, other than the accrual of revenue in the Ordinary Course of Business, to the extent such amount increased such Consolidated Net Income; minus

(13) the sum of (A) income tax credits and (B) interest income included in computing such Consolidated Net Income;

in each case, determined on a consolidated basis in accordance with GAAP.

"**Consolidated Net Income**" shall mean, with respect to any specified Person for any period, the aggregate of the net income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis (excluding the net income (loss) of any Unrestricted Subsidiary of such Person), determined in accordance with GAAP and without any reduction in respect of preferred stock dividends; provided that:

(1) all (a) extraordinary, nonrecurring, special or unusual gains and losses or income or expenses, including, without limitation, any expenses related to a facilities closing and any reconstruction, recommissioning or reconfiguration of fixed assets for alternate uses; any severance or relocation expenses; executive recruiting costs; restructuring or reorganization costs (whether incurred before or after the effective date of any applicable reorganization plan, including, the AMR/US Airways Merger and Parent's reorganization plan); curtailments or modifications to pension and post-retirement employee benefit plans; (b) any expenses (including, without limitation, transaction costs, integration or transition costs, financial advisory fees, accounting fees, legal fees and other similar advisory and consulting fees and related out-of-pocket expenses), cost-savings, costs or charges incurred in connection with any issuance of securities, Permitted Investments, acquisitions, dispositions, recapitalizations or incurrences or repayments of Indebtedness permitted hereunder (in each case whether or not successful) (including but not limited to any one or more of the AMR/US Airways Merger, any Airlines Merger and any Airline/Parent Merger) and (c) gains and losses realized in connection with any sale of assets, the disposition of securities, the early extinguishment of Indebtedness or associated with Hedging Obligations, together with any related provision for taxes on any such gain, will be excluded;

(2) the net income (but not loss) of any Person that is not the specified Person or a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included for such period only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or Restricted Subsidiary of the specified Person;

(3) the net income (but not loss) of any Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(4) the cumulative effect of a change in accounting principles on such Person will be excluded;

(5) the effect of non-cash gains and losses of such Person resulting from Hedging Obligations, including attributable to movement in the mark-to-market valuation of Hedging Obligations pursuant to Financial Accounting Standards Board Statement No. 133 will be excluded;

(6) any non-cash compensation expense recorded from grants by such Person of stock appreciation or similar rights, stock options or other rights to officers, directors or employees, will be excluded;

(7) the effect on such Person of any non-cash items resulting from any write-up, write-down or write-off of assets (including intangible assets, goodwill and deferred financing costs) in connection with any acquisition, disposition, merger, consolidation or similar transaction (including but not limited to any one or more of the AMR/US Airways Merger, any Airlines Merger and any Airline/Parent Merger) or any other non-cash impairment charges incurred subsequent to October 10, 2014 resulting from the application of Financial Accounting Standards Board Accounting Standards Codifications 205—Presentation of Financial Statements, 350—Intangibles—Goodwill and Other, 360—Property, Plant and Equipment and 805—Business Combinations (excluding any such non-cash item to the extent that it represents an accrual of or reserve for cash expenditures in any future period except to the extent such item is subsequently reversed), will be excluded;

(8) any provision for income tax reflected on such Person's financial statements for such period will be excluded to the extent such provision exceeds the actual amount of taxes paid in cash during such period by such Person and its consolidated Subsidiaries; and

(9) any amortization of deferred charges resulting from the application of Financial Accounting Standards Board Accounting Standards Codifications 470-20 Debt With Conversion and Other Options that may be settled in cash upon conversion (including partial cash settlement) will be excluded.

"**Consolidated Tangible Assets**" shall mean, as of any date of determination, Consolidated Total Assets of Parent and its consolidated Restricted Subsidiaries excluding goodwill, patents, trade names, trademarks, copyrights, franchises and any other assets properly classified as intangible assets, in accordance with GAAP.

"**Consolidated Total Assets**" shall mean, as of any date of determination, the sum of the amounts that would appear on a consolidated balance sheet of Parent and its consolidated Restricted Subsidiaries as the total assets of Parent and its Restricted Subsidiaries in accordance with GAAP.

"**Contingent Payment Event**" shall mean any indemnity, termination payment or liquidated damages under an AAdvantage Agreement, an IP Agreement or the Intercompany Agreement.

"**Contribution Agreements**" shall mean each of the agreements set forth on Schedule 1.01(a) and each other contribution, assignment or transfer agreement entered into after the date hereof pursuant to which American, HoldCo 1 or HoldCo2 contributes, assigns or transfers (i) all of its rights, title and interest in and to the AAdvantage Intellectual Property that it owns or purports to own, or later develops (and owns) or acquires (excluding the Composite Marks, the Specified Intellectual Property and the Madrid IP except as expressly provided

therein), (ii) all of its rights to establish, create, organize, initiate, participate, operate, assist, benefit from, promote or otherwise be involved in or associated with, in any capacity, the AAdvantage Program or any other customer loyalty miles program or any similar customer loyalty program (other than with respect to a Specified Minority Owned Program or a Permitted Acquisition Loyalty Program), and (iii) all of its Assigned AAdvantage Agreement Rights, in each case, directly or indirectly to Loyalty Co (it being understood that any such contributed property will be transferred subject to existing third party use rights to such contributed property under the AAdvantage Agreements).

"**Convertible Indebtedness**" shall mean Indebtedness of Parent or a Restricted Subsidiary of Parent permitted to be incurred under the terms of this Agreement that is either (a) convertible or exchangeable into common stock of Parent (and cash in lieu of fractional shares) and/or cash (in an amount determined by reference to the price of such common stock) or (b) sold as units with call options, warrants or rights to purchase (or substantially equivalent derivative transactions) that are exercisable for common stock of Parent or a parent company of the issuer and/or cash (in an amount determined by reference to the price of such common stock).

"**Corresponding Tenor**" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"**Covered Entity**" shall mean any of the following: (a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"**Covered Party**" shall have the meaning set forth in Section 10.21.

"**CS Excess Proceeds**" shall have the meaning set forth in Section 2.12(c) "**CS Threshold Amount**" shall have the

meaning set forth in Section 2.12(c) "**Cure Amounts**" shall have the meaning set forth in Section 2.24.

"**Currency**" shall mean miles, points and/or other units that are a medium of exchange constituting a convertible, virtual, and private currency that is tradable property and that can be sold or issued to Persons.

"**Daily Simple SOFR**" means, for any day~~, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion in consultation with the Borrowers.~~ **(a "SOFR Rate Day"), a rate per**

annum equal to SOFR for the day (such day, a "SOFR Determination Date") that is five U.S. Government Securities Business Days prior to (A) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (B) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website. If by 5:00 pm (New York City time) on the second (2nd) U.S. Government Securities Business Day immediately following such SOFR Determination Date, SOFR in respect of such SOFR Determination Date has not been published on the SOFR Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then SOFR for such SOFR Determination Date will be SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator's Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrowers.

"**Data Protection Laws**" shall mean all laws, rules and regulations applicable to each applicable Loan Party or Subsidiary thereof regarding privacy, data protection and data security, including with respect to the collection, storage, transmission, transfer (including cross-border transfers), processing, encryption, security, safeguarding, loss, disclosure and use of Personal Data (including Personal Data of employees, contractors, customers, loan applicants and third parties), On-line Tracking Data, and email and mobile communications, including any approvals or notices required in connection therewith.

"**Data Protection Requirements**" shall mean (i) Data Protection Laws and (ii) any privacy policies of American.

"**Day Count Fraction**" shall mean, the actual number of days elapsed over a year of 360 days (or, when the Alternate Base Rate is applicable, a year of 365 days or 366 days in a leap year).

"**Debtors**" shall have the meaning set forth in the definition of "**American Case Milestones".**

"**Deeds of Undertaking**" shall mean (i) the deed of undertaking to be entered into on or about the Closing Date among Loyalty Co, HoldCo 2, the Master Collateral Agent and Walkers Fiduciary Limited, (ii) the deed of undertaking to be entered into on or about the Closing Date among HoldCo 2, HoldCo 1, the Master Collateral Agent and Walkers Fiduciary Limited,(iii) the deed of undertaking to be entered into on or about the Closing Date among HoldCo 1, American, the Master Collateral Agent and Walkers Fiduciary Limited and (iv) each deed of undertaking entered into after the Closing Date between any Subsidiary of Loyalty Co, the immediate parent of such Subsidiary, the Master Collateral Agent and Walkers Fiduciary Limited.

"**Default**" shall mean any event that, unless cured or waived, is, or with the passage of time or the giving of notice or both would be an Event of Default.

"**Default Right**" has the meaning assigned to that term in, and shall be interpreted

in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**Defaulting Lender**" shall mean, at any time, any Lender (including any Agent in its capacity as a Lender) that (a) has failed, within two (2) Business Days of the date required to be funded or paid by it hereunder, to fund or pay (x) any portion of the Term Loans or (y) any other amount required to be paid by it hereunder to the Administrative Agent or any other Lender (or its banking Affiliates), (b) has notified the Borrowers, the Administrative Agent or any other Lender, or has made a public statement (verbally or in writing) to the effect, that it does not intend or expect to comply with any of its funding obligations (i) under this Agreement (unless such notification or public statement states that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied (other than as a result of the action or inaction of such Lender)) or (ii) on or prior to the Closing Date (or with respect to the funding of any Incremental Term Loans, on or prior to such funding date), generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by the Administrative Agent, any other Lender or a Borrower, acting in good faith, to provide a confirmation in writing from an authorized officer or other authorized representative of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Term Loans under this Agreement, *provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent's, such other Lender's or the Borrowers', as applicable, receipt of such confirmation in form and substance satisfactory to the Administrative Agent and the Borrowers, or (d) has become, or has had its Parent Company become, the subject of a Bankruptcy Event or a Bail-In Action. If the Administrative Agent determines that a Lender is a Defaulting Lender under any of clauses (a) through (d) above, such Lender will be deemed to be a Defaulting Lender upon notification of such determination by the Administrative Agent to the Borrowers and the Lenders.

"**Default Interest**" shall have the meaning set forth in Section 2.08. "**Default Structure**" shall have the meaning set forth in Section 4.03(d).

"**Depositary**" shall mean Wilmington Trust, National Association in its capacity as Depositary under the Collateral Agency and Accounts Agreement.

"**Determination Date**" shall mean, with respect to any Payment Date and the Related Quarterly Reporting Period, the third (3rd) Business Day preceding such Payment Date.

"**Direction of Payment**" shall mean a notice to a counterparty of an AAdvantage Agreement (other than the Intercompany Agreement), substantially in the form of Exhibit F, which shall include instructions to such counterparty to pay all amounts due to American, Loyalty Co or any of their respective Affiliates under the applicable AAdvantage Agreement directly to the Collection Account.

"**Director Services Agreements**" shall mean (i) the director and share trustee services agreement dated on or about the Closing Date among American, Loyalty Co and Walkers Fiduciary Limited, (ii) the director services agreement dated on or about the Closing Date among

Loyalty Co, the Loan Party Director (as defined therein) party thereto and American, (iii) the director services agreement dated on or about the Closing Date among HoldCo 2, the Loan Party Director (as defined therein) party thereto and Loyalty Co, and (iv) the director services agreement dated on or about the Closing Date among HoldCo 1, the Loan Party Director (as defined therein) party thereto and Loyalty Co.

"**Disposition**" shall mean, with respect to any property, any sale, lease, sale and leaseback, conveyance, transfer or other disposition thereof. The terms "**Dispose**" and "**Disposed of**" shall have correlative meanings.

"**Disqualified Institution**" shall mean (a) any Person identified in writing to the Joint Lead Arrangers and Bookrunners on or prior to March 8, 2021 and (b) any Person that is or becomes a competitor of the Borrower and is designated by the Borrower as such in a writing provided to the Administrative Agent after March 8, 2021.

"**Disqualified Stock**" shall mean any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (other than as a result of a change of control or asset sale), is convertible or exchangeable for Indebtedness or Disqualified Stock, or is redeemable at the option of the holder of the Capital Stock, in whole or in part (other than as a result of a change of control or asset sale), on or prior to the date that is 91 days after the Latest Maturity Date then in effect. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require Parent or any of its Restricted Subsidiaries to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that Parent or such Restricted Subsidiary may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 6.01. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Agreement will be the maximum amount that Parent and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends. For the avoidance of doubt, the preferred stock issued to the creditors of Parent pursuant to Parent's plan of reorganization, as amended, does not constitute Disqualified Stock.

"**Dollars**" and "**$**" shall mean lawful money of the United States of America. "**Domestic Subsidiary**" shall mean any

Restricted Subsidiary of Parent that was

formed under the laws of the United States or any state of the United States or the District of Columbia other than (i) any Restricted Subsidiary substantially all of the assets of which are equity interests in one or more Foreign Subsidiaries, intellectual property relating to such Foreign Subsidiaries and other assets (including cash and Cash Equivalents) relating to an ownership interest in such Foreign Subsidiaries and (ii) any Subsidiary of a Foreign Subsidiary.

"**DOT**" shall mean the United States Department of Transportation and any successor thereto.

"**Dutch Auction**" shall mean an auction of Term Loans conducted pursuant to Section 10.02(g) to allow a Borrower to purchase Term Loans at a discount to par value and on a non-pro rata basis, in each case in accordance with the applicable Dutch Auction Procedures.

"**Dutch Auction Procedures**" shall mean, with respect to a purchase of Term Loans by a Borrower pursuant to Section 10.02(g), Dutch auction procedures to be reasonably agreed upon by such Borrower and the Administrative Agent in connection with any such purchase.

"**Early Amortization Cure**" shall be deemed to occur on, (a) in the case of an Early Amortization Event that arises under clause (a) of the definition thereof, the earlier of (i) the date Cure Amounts related to the Early Amortization Event have been deposited to the Collection Account and (ii) the first day of the Quarterly Reporting Period following the Quarterly Reporting Period related to the Determination Date on which the Peak Debt Service Coverage Ratio has been satisfied for two consecutive Determination Dates following the Determination Date on which the Early Amortization Event was triggered, (b) in the case of an Early Amortization Event that arises under clause (b) of the definition thereof, the date on which the balance in the Reserve Account is at least equal to the Reserve Account Required Balance, or (c) in the case of an Early Amortization Event under clause (c) or clause (d) of the definition thereof, the date that the applicable Event of Default under this Agreement or "Early Amortization Event" under the Indenture or any other Senior Secured Debt Document, as applicable, shall not exist or be continuing.

"**Early Amortization Event**" shall mean the occurrence of any of the following events:

(a) the Peak Debt Service Coverage Ratio Test is not satisfied as set forth in the report to be delivered pursuant to Section 5.01(d);

(b) the balance in the Reserve Account is less than the Reserve Account Required Balance on any Payment Date after giving effect to the deposits set forth in Section 2.10(b) hereof on such Payment Date;

(c) a Borrower has received written notice or has actual knowledge that an Event of Default shall have occurred and is continuing; or

(d) a Borrower has received written notice or has actual knowledge that an "Early Amortization Event" shall have occurred and is continuing under the Indenture or any other Senior Secured Debt Document.

"**Early Amortization Payment**" shall mean, with respect to any Payment Date, if an Early Amortization Period was in effect as of the last day of the Related Quarterly Reporting Period, an amount equal to the lesser of:

(i) 50% of the excess of:

(A) the Term Loans' Pro Rata Share of the sum of (1) the

aggregate amount of Collections received in the Collection Account during such Quarterly Reporting Period *minus* (2) if such Early Amortization Period was not in effect on the first day of such Quarterly Reporting Period, the aggregate amount of Collections received in the Collection Account during such Quarterly Reporting Period prior to the first day of such Early Amortization Period *plus* (3) any Cure Amounts attributable to such Quarterly Reporting Period deposited in the Collection Account on or prior to the related Determination Date,

over

(B) the amount as most recently estimated by American to be distributed pursuant to Section 2.10(b)(i) through (viii) on the related Payment Date;

and

(ii) the amount necessary to pay the outstanding principal balance of the Term Loans (and accrued interest thereon, if any) in full.

"**Early Amortization Period**" shall mean the period commencing on the occurrence of an Early Amortization Event, and ending on the earlier of (a) the date (if any) on which the Early Amortization Cure is consummated and (b) the date all Obligations (other than contingent obligations not due and owing) have been paid in full in cash.

~~"Early Opt-in Election" means, if the then-current Benchmark is USD LIBOR, the occurrence of:~~

~~(1) a notification by the Administrative Agent to (or the request by the Borrowers to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and~~

~~(2) the joint election by the Administrative Agent and the Borrowers to trigger a fallback from USD LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.~~

"**EEA Financial Institution**" shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country**" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" shall mean any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Eligible Assignee**" shall mean (a) a commercial bank having total assets in excess of $1,000,000,000, (b) a finance company, insurance company or other financial institution or fund, in each case reasonably acceptable to the Administrative Agent, which in the ordinary course of business extends credit of the type contemplated herein or invests therein and has total assets in excess of $200,000,000 and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of the Code or Section 406 of ERISA, (c) any Lender or any Affiliate of any Lender, (d) an Approved Fund of any Lender, (e) any other Person (other than any Defaulting Lender, Disqualified Institution or natural Person) reasonably satisfactory to the Administrative Agent and (f) solely with respect to assignments of Term Loans to the extent permitted under Section 10.02(g), the Borrower; provided that, so long as no Event of Default has occurred and is continuing, no Disqualified Institution shall constitute an Eligible Assignee unless otherwise consented to by the Borrowers; *provided*, *further*, that, except as provided in clause (f) above, neither Parent nor any Subsidiary of the Parent shall constitute an Eligible Assignee.

"**Eligible Deposit Account**" shall mean (a) a segregated deposit account maintained with a depository institution or trust company whose short term unsecured debt obligations are rated at least, if rated by S&P, A-1 by S&P, if rated by Moody's, P-1 by Moody's, and, if rated by Fitch, F-1 by Fitch, (b) a segregated account which is maintained with a depository institution or trust company whose long term unsecured debt obligations are rated at least, if rated by S&P, A by S&P, if rated by Moody's, A2 by Moody's and, if rated by Fitch, BBB- by Fitch or(c) a segregated trust account maintained in the corporate trust department of a federally or state chartered depository institution whose long-term unsecured debt obligations are rated at least, if rated by S&P, A by S&P, if rated by Moody's, A2 by Moody's and, if rated by Fitch, BBB- by Fitch, subject to regulations regarding fiduciary funds on deposit substantially similar to 12 C.F.R.§9.10(b) in effect on the date hereof.

"**Environmental Laws**" shall mean all applicable laws (including common law), statutes, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions or legally binding agreements issued, promulgated or entered into by or with any Governmental Authority, relating to the protection of the environment, preservation or reclamation of natural resources, the handling, treatment, storage, disposal, Release or threatened Release of, or the exposure of any human (including employees) to, any Hazardous Materials.

"**Environmental Liability**" shall mean any liability (including any liability for damages, natural resource damage, costs of environmental investigation, remediation or monitoring or costs, fines or penalties) resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment, disposal or the arrangement for disposal of any Hazardous Materials, (c) human exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment

or (e) any contract, agreement, lease or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"**Equity Interests**" shall mean Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**ERISA**" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated thereunder.

"**ERISA Affiliate**" shall mean any trade or business (whether or not incorporated) that, together with American, is treated as a single employer under Section 414(b) or (c) of the Code, or solely for purposes of Section 302 of ERISA and Section 412 and 430 of the Code, is treated as a single employer under Section 414 of the Code.

"**Erroneous Payment**" shall have the meaning set forth in Section 2.17(f).

"**Escrow Accounts**" shall mean accounts of American or any Subsidiary, solely to the extent any such accounts hold funds set aside by American or any Subsidiary to manage the collection and payment of amounts collected, withheld or incurred by American or such Subsidiary for the benefit of third parties relating to: (a) federal income tax withholding and backup withholding tax, employment taxes, transportation excise taxes and security related charges; (b) any and all state and local income tax withholding, employment taxes and related charges and fees and similar taxes, charges and fees, including, but not limited to, state and local payroll withholding taxes, unemployment and supplemental unemployment taxes, disability taxes, workman's or workers' compensation charges and related charges and fees; (c) state and local taxes imposed on overall gross receipts, sales and use taxes, fuel excise taxes and hotel occupancy taxes; (d) passenger facility fees and charges collected on behalf of and owed to various administrators, institutions, authorities, agencies and entities; (e) other similar federal, state or local taxes, charges and fees (including without limitation any amount required to be withheld or collected under applicable law); or (f) other funds held in trust for, or otherwise pledged to or segregated for the benefit of, an identified beneficiary.

"**EU Bail-In Legislation Schedule**" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

~~"Eurodollar Term Loan" shall mean any Term Loan bearing interest at a rate determined by reference to the LIBO Rate.~~

"**Event of Default**" shall have the meaning set forth in Section 7.01.

"**Excess Cash Flow**" shall mean, for any period, (i) Consolidated EBITDAR of Parent for such period, minus (plus) (ii) any increase (decrease) in Working Capital of Parent from the first day of such period to the last day of such period, minus (iii) the sum of (A) payments by any Loan Party of scheduled principal and interest with respect to the consolidated Indebtedness of

Parent (but excluding Indebtedness that is solely the obligation of any Subsidiary that is not a Loan Party) during such period, to the extent such payments are not prohibited under this Agreement,
(B) income taxes paid during such period, (C) aircraft rentals paid during such period under Operating Leases, (D) cash used during such period for capital expenditures, (E) deposit and pre-delivery payments made in respect of Aircraft Related Equipment, and (F) an amount equal to pension or FASB 106 payments made in excess, if any, of pension or FASB 106 expenses, plus
(iv) an amount equal to the excess of pension or FASB 106 expense in excess, if any, of pension or FASB 106 payments.

"**Excess Proceeds**" shall have the meaning set forth in Section 2.12(b).

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended. "**Excluded Contributions**" shall mean net

cash proceeds received by Parent after

October 10, 2014 from:

(1) contributions to its common equity capital (other than from any Subsidiary); or

(2) the sale (other than to a Subsidiary or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of Parent or any Subsidiary) of Qualifying Equity Interests,

in each case designated as Excluded Contributions pursuant to an Officer's Certificate executed on or around the date such capital contributions are made or the date such Equity Interests are sold, as the case may be. Excluded Contributions will not be considered to be net proceeds of Qualifying Equity Interests for purposes of clause (a)(2)(ii)(B) of Section 6.01.

"**Excluded Intellectual Property**" shall mean all (a) Intellectual Property other than the AAdvantage Intellectual Property and (b) American Traveler Related Data.

"**Excluded Property**" shall mean (a) with respect to Collateral granted by an SPV Party, the meaning set forth in the Security Agreement, and (b) with respect to Collateral granted by American, the meaning set forth in the American Security Agreement; *provided* that, notwithstanding anything to the contrary in any Loan Document, Excluded Property shall include any assets of any CFC or FSHCO and any equity interests in excess of 65% of the voting equity interests of any CFC or FSHCO.

"**Excluded Subsidiary**" shall mean each Subsidiary of Parent (other than the SPV Parties) (1) that is a captive insurance company, (2) that is formed or exists for purposes relating to the investment in one or more tranches of Indebtedness of any other Subsidiary, other tranches of which have been (or are to be) offered in whole or in part to Persons who are not Affiliates of Parent, (3) that is a Regional Airline, (4) that is prohibited by applicable law, rule, regulation or contract existing on the Closing Date (or, in the case of any newly acquired Subsidiary, in existence at the time of acquisition but not entered into in contemplation thereof) from Guaranteeing, or granting Liens to secure, the Obligations or if Guaranteeing, or granting Liens to

secure, the Obligations would require governmental (including regulatory) consent, approval, license or authorization unless such consent, approval, license or authorization has been received,
(5) with respect to which American and the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) reasonably agree that the burden or cost or other consequences of providing a guarantee of the Obligations shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom, (6) with respect to which the provision of such guarantee of the Obligations could reasonably be expected to result in material adverse Tax consequences to Parent or one of its Subsidiaries (as reasonably determined by American and notified in writing to the Administrative Agent), (7) that is an Unrestricted Subsidiary, (8) that is a Foreign Subsidiary, a Subsidiary of a Foreign Subsidiary, or a FSHCO, (9) AWHQ LLC or (10) US Airways Company Store LLC. For the avoidance of doubt, no SPV Party shall be considered to be an Excluded Subsidiary.

"**Excluded Taxes**" shall mean any of the following Taxes imposed on or with respect to any Agent, any Lender or any other recipient of a payment hereunder, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in any credit extension hereunder pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the credit extension or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.16, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such recipient's failure to comply with Section 2.16(f), and
(d) any Taxes imposed under FATCA.

"**Extended Term Loan**" shall have the meaning set forth in Section 2.28(a)(ii). "**Extension**" shall have the meaning set forth in Section 2.28(a).

"**Extension Amendment**" shall have the meaning set forth in Section 2.28(d). "**Extension Offer**" shall have the meaning set forth in Section 2.28(a).

"**Extension Offer Date**" shall have the meaning set forth in Section 2.28(a)(i).

"**FAA**" shall mean the Federal Aviation Administration of the United States of America and any successor thereto.

"**Facility**" shall mean each of the Term Loan Commitments and the Term Loans made thereunder.

"**Fair Market Value**" shall mean the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party,

determined in good faith by a Responsible Officer of American or Parent (unless otherwise provided in this Agreement); *provided* that any such Responsible Officer shall be permitted to consider the circumstances existing at such time (including, without limitation, economic or other conditions affecting the United States airline industry generally and any relevant legal compulsion, judicial proceeding or administrative order or the possibility thereof) in determining such Fair Market Value in connection with such transaction.

"**FASB**" shall mean the Financial Accounting Standards Board.

"**FATCA**" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement, any amended or successor provisions that are similar thereto and not materially more onerous to comply with, any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreements, treaty or convention among Governmental Authorities and implementing any of the foregoing (together with any Requirement of Law implementing such agreement involving any U.S. or non-U.S. regulations, fiscal or regulatory legislation, rules, guidance notes or practices adopted pursuant to any intergovernmental agreement or official guidance).

"**Federal Funds Effective Rate**" shall mean, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it; provided that, if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"**Fee Letter**" shall have the meaning set forth in Section 2.19.

"**Fees**" shall collectively mean the fees referred to in Section 2.19.

"**Fitch**" shall mean Fitch Ratings, Inc., also known as Fitch Ratings, and its successors.

"**Fixed Charges**" shall mean, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense (net of interest income) of such Person and its Restricted Subsidiaries for such period to the extent that such interest expense is payable in cash (and such interest income is receivable in cash); plus

(2) the interest component of leases that are capitalized in accordance with GAAP of such Person and its Restricted Subsidiaries for such period to the extent that such interest component is related to lease payments payable in cash; plus

(3) any interest expense actually paid in cash for such period by such specified Person on Indebtedness of another Person that is guaranteed by such specified Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such specified Person or one of its Restricted Subsidiaries; plus

(4) the product of (A) all cash dividends accrued on any series of preferred stock of such Person or any of its Restricted Subsidiaries for such period, other than to Parent or a Restricted Subsidiary of Parent, times (B) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP; plus

(5) the aircraft rent expense of such Person and its Restricted Subsidiaries for such period to the extent that such aircraft rent expense is payable in cash,

all as determined on a consolidated basis in accordance with GAAP.

"**Flight Simulators**" shall mean the flight simulators and flight training devices owned by Parent or any of its Restricted Subsidiaries.

"**Flyer Miles Obligations**" shall mean, at any date of determination, all payment and performance obligations of American under any card marketing agreement with respect to credit cards co-branded by American and a financial institution which may include obligations in respect of the pre-purchase by third parties of frequent flyer miles and any other similar agreements entered into by Parent or any of its Subsidiaries with any bank from time to time.

"**Floor**" means ~~the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to USD LIBOR~~**0.75% per annum**.

"**Foreign Lender**" shall mean any Lender that is organized under the laws of a jurisdiction other than the United States of America, any State thereof or the District of Columbia.

"**Foreign Subsidiary**" shall mean any direct or indirect Subsidiary of Parent that was not formed under the laws of the United States or any state of the United States or the District of Columbia.

"**Fraudulent Transfer Laws**" shall have the meaning set forth in Section 2.05(a).

"**FSHCO**" shall mean any Subsidiary substantially all the assets of which consist of equity interests (including, for this purpose, any debt or other instrument treated as equity for U.S. federal income tax purposes) in one or more (a) CFCs and/or (b) other Subsidiaries substantially all the assets of which consist (directly or indirectly) of equity interests (including, for this purpose, any debt or other instrument treated as equity for U.S. federal income tax purposes) in one or more CFCs; *provided* that no SPV Party shall be considered to be a FSHCO.

"**GAAP**" shall mean generally accepted accounting principles in the United States of America, which are in effect from time to time, including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, statements and pronouncements of the Financial Accounting Standards Board, such other statements by such other entity as have been approved by a significant segment of the accounting profession and the rules and regulations of the SEC governing the inclusion of financial statements in periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the SEC.

"**Governmental Authority**" shall mean the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

"**Grantor**" shall mean each Loan Party that shall at any time pledge Collateral under a Collateral Document.

"**Ground Service Equipment**" shall mean the ground service equipment, de-icers, ground support equipment, aircraft cleaning devices, materials handling equipment, passenger walkways and other similar equipment owned by Parent or any of its Restricted Subsidiaries.

"**Guarantee**" shall mean a guarantee (other than (a) by endorsement of negotiable instruments for collection or (b) customary contractual indemnities, in each case in the Ordinary Course of Business), direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions).

"**Guaranteed Obligations**" shall have the meaning set forth in Section 9.01(a). "**Guarantors**" shall mean, collectively, (a)

HoldCo 1, (b) Holdco 2, (c) Parent, (d)

each Permitted Loyalty Subsidiary and (e) each Subsidiary of Parent that becomes a Guarantor
pursuant to Section 5.13.

"**Hazardous Materials**" shall mean all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas and all other substances or wastes of any nature that are regulated as hazardous pursuant to, or, due to their hazardous qualities, could reasonably be expected to give rise to liability under any Environmental Law.

"**Hedging Agreement**" shall mean any agreement evidencing Hedging

Obligations.

"**Hedging Obligations**" shall mean, with respect to any Person, all obligations and liabilities of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, fuel prices or other commodity prices, but excluding (x) clauses in purchase agreements and maintenance agreements pertaining to future prices and (y) fuel purchase agreements and fuel sales that are for physical delivery of the relevant commodity.

For the avoidance of doubt, any Permitted Convertible Indebtedness Call Transaction will not constitute Hedging Obligations.

"**HoldCo 1**" shall mean AAdvantage Holdings 1, Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands.

"**HoldCo 2**" shall mean AAdvantage Holdings 2, Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands.

"**HoldCo-to-American IP License**" shall mean that certain Intellectual Property Sublicense Agreement between HoldCo 2, as licensor, and American, as licensee, substantially in the form attached as Exhibit G-2.

"**Immaterial Subsidiaries**" shall mean one or more Subsidiaries of Parent (other than any Subsidiary that is a Guarantor, any Excluded Subsidiary, any Subsidiary that is not a Domestic Subsidiary, any Receivables Subsidiary and any Regional Airline), for which (a) the assets of all such Subsidiaries constitute, in the aggregate, no more than 7.5% of the total assets of Parent and its Subsidiaries on a consolidated basis (determined as of the last day of the most recent fiscal quarter of Parent for which internal financial statements are available) and (b) the revenues of all such Subsidiaries account for, in the aggregate, no more than 7.5% of the total revenues of Parent and its Subsidiaries on a consolidated basis for the twelve month period ending on the last day of the most recent fiscal quarter of Parent for which internal financial statements are available; provided that a Subsidiary will not be considered to be an Immaterial Subsidiary if it (1) is an SPV Party, (2) directly or indirectly guarantees, or pledges any property or assets to secure, any Senior Secured Debt or Junior Lien Debt or (3) owns any properties or assets that constitute Collateral.

"**Increase Effective Date**" shall have the meaning set forth in Section 2.27(a). "**Increase Joinder**" shall have the meaning set forth in Section 2.27(c). "**Incremental Commitments**" shall have the meaning set forth in Section 2.27(a).

"**Incremental Lender**" shall have the meaning set forth in Section 2.27(a).

"**Incremental Priority Amount**" shall mean, at any time, (a) if American has (1) completed the merger and consolidation of a Loyalty Program of a Specified Acquisition Entity or one of its Subsidiaries or of an entity principally associated with such Specified Acquisition Entity or any of its Subsidiaries (a "**Specified Loyalty Program**") into the AAdvantage Program and (2) to the extent not effected pursuant to clause (1), caused such Specified Loyalty Program's payments in cash (which excludes airline revenues such as ticket sales and baggage fees), accounts in which such payments in cash are deposited, Intellectual Property and member data (but solely to the extent that such Intellectual Property and member data would be included in the definition of AAdvantage Intellectual Property, substituting references to the AAdvantage Program with references to such other Specified Loyalty Program) and all material third-party co-branding, partnering and similar agreements, including airline-to-airline frequent flyer program agreements, related to or entered into in connection with such Specified Loyalty Program (but solely to the extent that such agreements would be included in the definition of AAdvantage Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or again become Retained Agreements), substituting references to the AAdvantage Program with references to such other Specified Loyalty Program) and intercompany agreements concerning the operation of such Specified Loyalty Program to be pledged as Collateral on a first lien basis (except to the extent constituting Excluded Property), subject to third party rights, applicable law and other Permitted Liens, an amount equal to the excess of (i) 1.4 *multiplied by* the aggregate amount of Transaction Revenues for the most recently completed four Quarterly Reporting Periods *over* (ii) $10,000,000,000 and otherwise (b) zero.

"**Incremental Term Loans**" shall have the meaning set forth in Section 2.27(a).

"**Indebtedness**" shall mean, with respect to any specified Person, any indebtedness of such Person (excluding air traffic liability, accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed, and excluding in any event trade payables arising in the Ordinary Course of Business; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person. Indebtedness shall be calculated without giving effect to the effects of Statement of Financial Accounting Standards No. 133 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Agreement as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

Solely with respect to any Person that is not an SPV Party, "Indebtedness" does not include (a) Banking Product Obligations, (b) obligations under leases (other than leases determined to be Capital Lease Obligations under GAAP as in effect on the date of this Agreement), (c) obligations to fund pension plans and retiree liabilities, (d) Disqualified Stock and preferred stock, (e) Flyer Miles Obligations and other obligations in respect of the pre-purchase by others of frequent flyer miles, (f) maintenance deferral agreements, (g) an amount recorded as Indebtedness in such Person's financial statements solely by operation of Financial Accounting Standards Board Accounting Standards Codification 840-40-55 or any successor provision of GAAP but which does not otherwise constitute Indebtedness as defined hereinabove, (h) obligations under Co-Branded Card Agreements, (i) a deferral of pre-delivery payments relating to the purchases of Aircraft Related Equipment and (j) obligations under flyer miles participation agreements, in each case, whether or not such obligations would appear as a liability upon a balance sheet of a specified Person; *provided* that, for purposes of Section 6.02(b), Flyer Miles Obligations and other obligations in respect of the pre-purchase by others of frequent flyer miles, obligations under Co-Branded Card Agreements and obligations under flyer miles participation agreements shall constitute "Indebtedness".

"**Indemnified Taxes**" shall mean (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrowers under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"**Indemnitee**" shall have the meaning set forth in Section 10.04(b).

"**Indenture**" shall have the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Independent Director**" shall mean, at any time with respect to any SPV Party, a director of such SPV Party that (1)(a) is appointed as Independent Director on the Closing Date and satisfies the Independent Director Criteria at such time or (b) is an Approved Independent Director that has been selected by the ordinary shareholder(s) of such SPV Party, and (2) is a duly appointed "Independent Director" under and as defined in the Specified Organization Documents of such SPV Party.

"**Independent Director Criteria**" shall mean criteria that shall be satisfied only in respect of a natural person that (a) is a director who has prior experience as an independent

director, independent manager or independent member with at least three years of employment experience; (b) either is approved by both American and the Administrative Agent or is provided by a company nationally recognized in the United States or the Cayman Islands for providing professional independent managers or directors, that is not an Affiliate of any Loan Party or the Master Collateral Agent and that provides professional independent managers or directors and other corporate services in the ordinary course of its business, and which individual is duly appointed as an Independent Director; and (c) is not, and has never been, and will not while serving as Independent Director be, any of the following: (i) a member, partner, equityholder, manager, director, officer or employee of Loyalty Co or any of its equityholders, the Master Collateral Agent or any Affiliates of the foregoing (other than (A) equity ownership in American which (x) constitutes an immaterial amount of American stock and (y) is not material to the net worth of such Independent Director or (B) as an Independent Director of any SPV Party or any other Affiliate of Loyalty Co that is required by a creditor to be a single purpose bankruptcy-remote entity, *provided* that such Person either is approved by the Administrative Agent or is employed by a company that routinely provides professional independent managers or directors); (ii) a creditor, supplier or service provider (including provider of professional services) to Loyalty Co, the Master Collateral Agent or any of their respective equityholders or Affiliates (other than a nationally recognized company that routinely provides professional independent managers or directors and other corporate services to Loyalty Co, the Master Collateral Agent or any of their respective equityholders or Affiliates in the ordinary course of business); (iii) a family member of any such member, partner, equityholder, manager, director, officer, employee, creditor, supplier or service provider; or (iv) a Person that controls (whether directly, indirectly or otherwise) any of clause (i), (ii) or (iii) above.

"**Initial Amortization Date**" shall mean the Payment Date in July 2023.

"**Initial Lenders**" shall mean each Lender having a Term Loan Commitment for an Initial Term Loan or, as the case may be, an outstanding Initial Term Loan.

"**Initial Term Loan**" shall have the meaning set forth in Section 2.01. "**Intellectual Property**" shall mean all issued patents

and patent applications,

registered trademarks or service marks and applications to register any trademarks or service
marks, brand names, trade dress, registered copyrights and applications for registration of copyrights, Trade Secrets, domain names, social media accounts and other intellectual property, whether registered or unregistered, including unregistered copyrights in software and source code and applications to register any of the foregoing.

"**Intercompany Agreement**" shall mean the Intercompany Agreement, dated as of the Closing Date, by and between American and Loyalty Co.

"**Intercreditor Agreement**" shall mean each of the Junior Lien Intercreditor Agreement and the Collateral Agency and Accounts Agreement.

"**Interest Distribution Amount**" shall mean, with respect to each Payment Date and each Class of Term Loans, an amount equal to (a) the product of (i) the applicable Interest Rate

for the related Interest Period, *multiplied by* (ii) the Day Count Fraction, *multiplied by* (iii) the outstanding principal amount of Term Loans of such Class as of the first day of the related Interest Period, *plus* (b) any unpaid Interest Distribution Amount in respect thereof from prior Payment Dates *plus*, to the extent permitted by law, interest thereon at the applicable Interest Rate for the related Interest Period.

"**Interest Period**" shall mean for each Payment Date, the period from and including the Payment Date immediately preceding such Payment Date (or, with respect to the initial Payment Date, the Closing Date) to but excluding such Payment Date.

"**Interest Rate**" shall mean the rate of interest applicable to each Term Loan as set forth in Section 2.07(a), as such rate may be modified by Section 2.08 or Section 2.09.

"**Investments**" shall mean, with respect to any Person, all direct or indirect investments made from and after the Closing Date by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees), capital contributions or advances (but excluding advance payments and deposits for goods and services and commission, travel and similar advances to officers, employees and consultants made in the Ordinary Course of Business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities of other Persons, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If Parent or any Restricted Subsidiary of Parent sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of Parent after the Closing Date such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of Parent, Parent will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of Parent's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in Section 6.01. Notwithstanding the foregoing, any Equity Interests retained by Parent or any of its Subsidiaries after a disposition or dividend of assets or Capital Stock of any Person in connection with any partial "spin-off" of a Subsidiary or similar transactions shall not be deemed to be an Investment. The acquisition by Parent or any Restricted Subsidiary of Parent after the Closing Date of a Person that holds an Investment in a third Person will be deemed to be an Investment by Parent or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in Section 6.01. Except as otherwise provided in this Agreement, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"**IP Agreements**" shall mean (a) the Contribution Agreements, (b) the IP Licenses,
(c) the IP Management Agreement, and (d) each other contribution agreement, license or sublicense related to the AAdvantage Intellectual Property that is required to be entered into after the Closing Date pursuant to the terms of the Loan Documents.

"**IP Licenses**" shall mean (a) the Borrower-to-HoldCo IP License, (b) the HoldCo-to-American IP License and (c) the Madrid IP License, as applicable.

"**IP Management Agreement**" shall mean that certain Management Agreement

among Loyalty Co, HoldCo 2, the IP Manager and the Master Collateral Agent pursuant to which the IP Manager will provide certain services to Loyalty Co and HoldCo 2 with respect to AAdvantage Intellectual Property, substantially in the form of Exhibit H hereto.

"**IP Manager**" shall mean American (or any of its affiliates to the extent a permitted successor or assign), in its capacity as IP Manager under the IP Management Agreement, or any Successor Manager (as such term is defined under the IP Management Agreement).

"**IP Security Agreements**" shall have the meaning set forth in the Security Agreement.

"**ISDA Definitions**" shall mean the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

"**Joint Bookrunners**" shall mean, collectively, BofA Securities, Inc., Credit Suisse Loan Funding LLC, Deutsche Bank Securities Inc., ICBC Standard Bank Plc, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Sumitomo Mitsui Banking Corporation, BNP Paribas Securities Corp., Credit Agricole Corporate and Investment Bank, HSBC Securities (USA) Inc., MUFG Union Bank, N.A., Standard Chartered Bank, U.S. Bank National Association and BOKF, NA dba Bank of Texas.

"**Joint Lead Arrangers and Bookrunners**" shall mean, collectively, Barclays Bank PLC, Goldman Sachs Lending Partners LLC and Citibank N.A.

"**Junior Lien Debt**" shall mean, any Indebtedness owed to any other Person, so long as (i) solely with respect to the Collateral, such Indebtedness is expressly subordinated in right of payment to the Priority Lien Debt in the agreement, indenture or other instrument governing such Indebtedness and in a Junior Lien Intercreditor Agreement, (ii) the Liens on the Collateral securing such Indebtedness are subordinated to the Liens on the Collateral securing the Term Loans, and such Indebtedness of the Loan Parties shall be subordinated to the Term Loans, in each case pursuant to a Junior Lien Intercreditor Agreement, (iii) the Weighted Average Life to Maturity of such Indebtedness shall be no shorter than the remaining Weighted Average Life to Maturity of the existing Term Loans, (iv) the maturity date for such Indebtedness shall be at least 91 days after the Latest Maturity Date, and (v) the terms and conditions governing such Indebtedness of the Loan Parties shall (a) be reasonably acceptable to the Administrative Agent or (b) not be materially more restrictive, when taken as a whole, on the SPV Parties (as determined in good faith by the Borrowers), than the terms of the then-outstanding Term Loans (except for (x) terms that are conformed (or added) in the Loan Documents for the benefit of the Lenders holding then-outstanding Term Loans pursuant to an amendment hereto or thereto subject solely to the reasonable satisfaction of Loyalty Co and the Administrative Agent, (y) covenants, events of default and guarantees applicable only to periods after the Latest Maturity Date (as of the date of the incurrence of such Junior Lien Debt) and (z) pricing, fees, rate floors, premiums, optional

prepayment or redemption terms) unless the Lenders under the then-outstanding Term Loans, receive the benefit of such more restrictive terms; *provided* that (A) in no event shall Junior Lien Debt be subject to events of default, mandatory prepayment or acceleration resulting (either directly or through a cross-default or cross-acceleration provision) from the occurrence of any event described in the definition of "Parent Bankruptcy Event" (or the occurrence of any such event with respect to any Subsidiary of Parent other than any SPV Party) except on the same terms as the then-outstanding Term Loans and (B) any such Indebtedness shall include separateness provisions regarding each SPV Party substantially similar to the provisions of Section 5.08.

"**Junior Lien Debt Documents**" shall mean any documents, instruments, notes, credit agreements, purchase agreements or other agreements entered into in connection with the incurrence or issuance of any Junior Lien Debt.

"**Junior Lien Intercreditor Agreement**" has the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Latest Maturity Date**" shall mean, at any date of determination, the latest maturity date of any then-outstanding Term Loan or of any other Priority Lien Debt.

"**Lenders**" shall have the meaning set forth in the first paragraph of this Agreement.

~~**"LIBO Rate" shall mean, with respect to each day during an Interest Period, (i) the rate per annum appearing on Reuters Pages LIBOR01 or LIBOR02 (or on any successor or substitute page(s) of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent in its reasonable discretion from time to time for purposes of providing quotations of interest rates applicable to Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, as the rate for Dollar deposits with a maturity of three (3) months or (ii) in the event that the rate identified in the foregoing clause (i) is not available at such time for any reason (any such Interest Period, an "Impacted Interest Period"), then such rate shall be the rate per annum determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the LIBO Rate for the longest period for which the LIBO Rate is available for Dollars that is shorter than the Impacted Interest Period; and (b) the LIBO Rate for the shortest period (for which that LIBO Rate is available for Dollars) that exceeds the Impacted Interest Period, in each case, at such time; *provided* that, if less than 0.75%, the LIBO Rate shall be deemed to be 0.75% for the purposes of this Agreement. For the avoidance of doubt, the LIBO Rate with respect to the entire first Interest Period shall be the three-month LIBO Rate determined on the second Business Day prior to the Closing Date in accordance with the foregoing definition.**~~

"**Lien**" shall mean, with respect to any asset, any mortgage, lien, pledge, charge, security interest or similar encumbrance of any kind in respect of such asset, whether or not filed,

recorded or otherwise perfected under applicable law (but excluding any lease, sublease, use or license agreement or swap agreement or similar arrangement by any Grantor described in the definition of "Permitted Disposition"), including any conditional sale or other title retention agreement, any option or other agreement to sell or give a security interest in and, except in connection with any Qualified Receivables Transaction, any agreement to give any financing statement under the UCC (or equivalent statutes) of any jurisdiction.

"**Liquidity**" shall mean the sum of (i) all unrestricted cash and Cash Equivalents of Parent and its Restricted Subsidiaries, (ii) cash and Cash Equivalents of Parent and its Restricted Subsidiaries restricted in favor of any Senior Secured Debt, (iii) the aggregate principal amount committed and available to be drawn by Parent and its Restricted Subsidiaries (taking into account all borrowing base limitations or other restrictions) under all revolving credit or other facilities of Parent and its Restricted Subsidiaries and (iv) the scheduled net proceeds (after giving effect to any expected repayment of existing Indebtedness using such proceeds) of any Capital Markets Offering of Parent or any of its Restricted Subsidiaries that has priced but has not yet closed (until the earliest of the closing thereof, the termination thereof without closing or the date that falls five (5) Business Days after the initial scheduled closing date thereof).

"**Loan Documents**" shall mean this Agreement, the Collateral Documents, the Fee Letter, any promissory notes executed in favor of a Lender and any other instrument or agreement (which is designated as a Loan Document therein) executed and delivered by any Loan Party to the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or any Lender.

"**Loan Parties**" shall mean the Borrowers and the Guarantors.

"**Loan Request**" shall mean a request by the Borrowers, executed by a Responsible Officer of the Borrowers, for a Term Loan in accordance with Section 2.03 in substantially the form of Exhibit D.

"**Loyalty Co**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Loyalty Program**" shall mean any customer loyalty program available to individuals (i.e., natural persons) that grants members in such program Currency based on a member's purchasing behavior and that entitles a member to accrue and redeem such Currency for a benefit or reward, including flights and/or other goods and services. For clarity, American's AirPass program, Business Extra program and Concierge Key program and any successors to those programs that are substantially similar and American's Flagship lounges, Admirals' Clubs and any other lounges or clubs and any memberships related thereto shall not constitute, and shall not be deemed to constitute, "Loyalty Programs."

"**Luxembourg Guarantor**" shall mean any Guarantor organized under the laws of Luxembourg.

"**Madrid IP**" shall mean (i) International Registration No. 1240856 for the trademark AADVANTAGE registered with the World Intellectual Property Organization, (ii)

International Registration No. 1330760 for the trademark AADVANTAGE registered with the World Intellectual Property Organization, (iii) International Registration No. 1321874 for the trademark AADVANTAGE PLATINUM PRO registered with the World Intellectual Property Organization, (iv) International Registration No.1321705 for the trademark PLATINUM PRO registered with the World Intellectual Property Organization, (v) any other AAdvantage Intellectual Property registered or pending for registration, as of the Closing Date or thereafter, due to the Madrid System of the World Intellectual Property Organization and (vi) any national extensions thereof.

"**Madrid IP License**" shall mean that certain license agreement between American, as licensor, and Loyalty Co, as licensee, dated on or prior to the Closing Date, substantially in the form attached as Exhibit G-3.

"**Madrid IP Lux Holdco**" shall have the meaning set forth in Section 4.03(d). "**Madrid IP Lux Holdco 2**" shall have the

meaning set forth in Section 4.03(d). "**Madrid Protocol Holding Structure**" shall have the meaning set forth in Section 4.03(d).

"**Madrid SPV**" means Madrid IP Lux Holdco, Madrid IP Lux Holdco 2,
Alternative Madrid SPV and any other special purpose vehicle created to implement the Madrid Protocol Holding Structure or the Alternative Madrid Structure.

"**Make-Whole Amount**" shall mean, an amount equal to the greater of (a) 4.0% of the principal amount of the Term Loans to be repaid and (b) the excess (to the extent positive) of:

i. the sum of the present value at such prepayment date (the "**Trigger Date**") of (1) the prepayment price of such Term Loans at the third anniversary of the Closing Date (excluding accrued and unpaid interest), such prepayment price being 4.0% multiplied by the applicable principal amount, plus (2) all required interest payments due on such Term Loans to and including the date set forth in clause (1) (excluding accrued but unpaid interest), computed upon the Trigger Date using a discount rate equal to the Treasury Rate at such Trigger Date plus 50 basis points and assuming that the rate of interest on the principal amount from such Trigger Date to the date set forth in clause (1) will equal the rate of interest on that principal amount in effect on the applicable Trigger Date; over

ii. the principal amount of the Term Loans to be prepaid.

"**Marketing and Service Agreements**" shall mean those certain business, marketing and service agreements among a Loan Party and/or any of its Subsidiaries and franchises, including Republic Airlines Inc., SkyWest Airlines, Inc., Mesa Airlines, Inc. and the Regional Airlines, and such other parties or agreements from time to time that include, but are not limited to, code sharing, pro rate, capacity purchase, service, frequent flyer, ground handling, marketing, alliance and joint business agreements that are entered into in the Ordinary Course of Business.

"**Master Collateral Agent**" shall mean Wilmington Trust, National Association in its capacity as Master Collateral Agent under the Loan Documents.

"**Material Adverse Change**" shall mean any event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect.

"**Material Adverse Effect**" shall mean a material adverse effect on (a) the consolidated business, operations or financial condition of Parent and its Restricted Subsidiaries, taken as a whole, (b) the validity or enforceability of the Loan Documents or the rights or remedies of the Secured Parties, (c) the ability of Loyalty Co to pay the Obligations, (d) the validity, enforceability or collectability of the Material AAdvantage Agreements, the IP Licenses or the Contribution Agreements generally or any material portion of the Material AAdvantage Agreements, the IP Licenses or the Contribution Agreements, taken as a whole, (e) the business and operations of the AAdvantage Program or (f) the ability of the Loan Parties to perform their material obligations under the IP Agreements, the American Intercompany Loan or the Material AAdvantage Agreements to which it is a party; provided, that no condition or event that has been disclosed in the public filings for American on or prior to the Closing Date shall be considered to be a "Material Adverse Effect" hereunder.

"**Material Indebtedness**" shall mean Indebtedness of any Loan Party (other than the Term Loans) outstanding under the same agreement in a principal amount exceeding
$200,000,000.

"**Material Modification**" shall mean:

(1) any amendment or waiver of, or modification or supplement to, a Material AAdvantage Agreement (other than the Intercompany Agreement) executed or effected on or after the Closing Date which: (a) extends, waives, delays or contractually or structurally subordinates one or more payments due to any Loan Party with respect to such Material AAdvantage Agreement; (b) reduces the rate or amount of payments due to any Loan Party with respect to such Material AAdvantage Agreement; (c) gives any Person other than Loan Parties party to such Material AAdvantage Agreement additional or improved termination rights with respect to such Material AAdvantage Agreement; (d) shortens the term of such Material AAdvantage Agreement or expands or improves any counterparty's rights or remedies following a termination; or (e) imposes new financial obligations on any Loan Party under such Material AAdvantage Agreement, in each case, to the extent such amendment, waiver, modification or supplement would reasonably be expected to result in a Payment Material Adverse Effect; and

(2) any amendment or waiver of, or modification or supplement to, the Intercompany Agreement or the American Intercompany Loan which: (a) sets or shortens the scheduled maturity or term of the Intercompany Agreement to a date earlier than the Latest Maturity Date then in effect, (b) (i) sets or shortens the scheduled maturity of the American Intercompany Loan to a date earlier than the Latest Maturity Date then in effect, (ii) changes the obligor on the American Intercompany Loan, (iii) reduces the outstanding principal amount of the American Intercompany Loan held by Loyalty Co to be less than the aggregate outstanding principal amount of the Senior Secured Debt outstanding or (iv) changes the ability of American to

repay the American Intercompany Loan or the payee under the American Intercompany Loan to demand payment in a manner that would result in the outstanding principal amount of the American Intercompany Loan held by Loyalty Co to be less than the aggregate outstanding principal amount of the Senior Secured Debt outstanding, (c) amends, modifies or otherwise changes (i) the EBITDA Margin (as defined in the Intercompany Agreement) for Miles payments payable by American to Loyalty Co as specified in Section 3.3 of the Intercompany Agreement (including changes to the definitions of "EBITDA Margin" and "Excluded Miles" in the Intercompany Agreement or Exhibit 1 thereof) in a manner reducing the amount payable to Loyalty Co, (ii) the Intercompany Agreement in a manner that materially reduces any other amounts payable to Loyalty Co pursuant to Section 3.3 of the Intercompany Agreement, or (iii) reduces the frequency of payments under the Intercompany Agreement to be less frequent than monthly and that, in each case, would reasonably be expected to result in a Payment Material Adverse Effect (*provided* that in the case of this clause (c), any change to the 20% EBITDA Margin or any change to the inclusion of redemption cost or operating expense in EBITDA Margin, or any change to the Intercompany Agreement that reduces any other amounts payable to Loyalty Co pursuant to Section 3.3 of the Intercompany Agreement, will not be subject to a Payment Material Adverse Effect qualification), (d) amends, modifies or otherwise changes the calculation or rate of fees, expenses or termination payments due and owing under the Intercompany Agreement except to the extent addressed in clause (c) above, in a manner reducing the amount owed to Loyalty Co and that would reasonably be expected to result in a Payment Material Adverse Effect, (e) changes the contractual subordination of payments thereunder in a manner materially adverse to the Lenders, (f) changes the ability for the Master Collateral Agent to demand payment under the American Intercompany Loan in a manner that would reasonably be expected to result in a Payment Material Adverse Effect, (g) permits payments due to Loyalty Co to be deposited to an account other than the Collection Account, (h) changes the amendment standards applicable to the Intercompany Agreement or the American Intercompany Loan (other than changes affecting rights of the Administrative Agent or the Master Collateral Agent to consent to amendments, which is covered by clause (i)) in a manner that would reasonably be expected to result in a Payment Material Adverse Effect, (i) materially impairs the rights of the Administrative Agent or the Master Collateral Agent to enforce or consent to amendments to any provisions of any such agreement in accordance therewith, (j) changes Section 2.8 of the Intercompany Agreement such that Loyalty Co no longer has the exclusive right to issue and create Miles (*provided* that, for the avoidance of doubt, American shall be permitted to credit or transfer Miles purchased and/or transferred from Loyalty Co to American's customers and counterparties to any AAdvantage Agreement, American Airline Business Agreement or Retained Agreement) or (k) amends, modifies or otherwise changes Section 2.1 of the Intercompany Agreement in any manner that materially and adversely affects Loyalty Co's ability to perform its obligations under the AAdvantage Agreements or any other agreement related to the AAdvantage Program.

Notwithstanding anything to the contrary in this definition, the entrance into a Permitted Replacement AAdvantage Agreement shall not constitute a Material Modification.

"**Material AAdvantage Agreements**" shall mean (a) the Intercompany Agreement, (b) the Citi Co-Branded Agreement, together with the Citi Co-Branded Consent, (c)

the Barclays Co-Branded Agreement, together with the Barclays Co-Branded Consent, (d) each Permitted Replacement AAdvantage Agreement, and (e) as of any date, each other AAdvantage Agreement that generated Transaction Revenues equal to 10% or more of Transaction Revenues from AAdvantage Agreements received over the twelve months prior to such date, in each case, as amended, restated, supplemented, or otherwise modified from time to time as permitted by the Loan Documents.

"**Maximum Amortization Amount**" means, as of any day of determination, an amount equal to the greatest Senior Secured Amortization Amount for any Payment Date occurring on or after such day of determination until (and including) the Latest Maturity Date at such time.

"**Maximum Amount**" shall have the meaning set forth in Section 9.06. "**Maximum Quarterly Debt Service**" means, for any

Determination Date, an

amount equal to the sum of:

(a) the Maximum Amortization Amount at such time;

(b) the sum of the Interest Distribution Amount for each Class of Term Loans that is or will be due on the related Payment Date; and

(c) the sum of the "Interest Distribution Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Senior Secured Debt Documents) that are or will be due on the related Payment Date for each Series of Senior Secured Debt (other than the Term Loans).

"**Miles**" shall mean the Currency under the AAdvantage Program.

"**Minimum Extension Condition**" shall have the meaning set forth in Section 2.28(c).

"**Moody's**" shall mean Moody's Investors Service, Inc., together with its successors.

"**Net Proceeds**" means (a) with respect to any Collateral Sale, Recovery Event or Contingent Payment Event, the aggregate cash proceeds and Cash Equivalents received by Parent or any of its Restricted Subsidiaries in respect thereof, net of: (i) the direct costs and expenses relating to such Collateral Sale, Recovery Event or Contingent Payment Event, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Collateral Sale, Recovery Event or Contingent Payment Event, Taxes paid or payable as a result of the Collateral Sale, Recovery Event or Contingent Payment Event, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements; (ii) any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established or to be established, in each case, in accordance with GAAP; and (iii) any portion of the purchase price from a Collateral

Sale placed in escrow pursuant to the terms of such Collateral Sale (either as a reserve for adjustment of the purchase price, or for satisfaction of indemnities in respect of such Collateral Sale) until the termination of such escrow; and (b) with respect to any issuance or incurrence of Indebtedness (including Qualifying Note Debt or Permitted Pre-paid Miles Purchases), the cash proceeds thereof, net of (i) any fees, underwriting discounts and commissions, premiums, and other Taxes, costs and expenses incurred in connection with such issuance and (ii) attorney's fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, transfer taxes, deed or mortgage recording taxes, other customary expenses, and brokerage, consultant, accountant, and other customary fees.

"**Non-Consenting Lender**" shall have the meaning set forth in Section 10.08.

"**Non-Control Investment**" means an investment in an airline in which Parent and its Subsidiaries do not possess, directly or indirectly, (a) more than 50% of the voting power of the ownership interests of such airline or the entity that operates any Loyalty Program thereof or (b) the ability to appoint a majority of the members of the Board of Directors (or equivalent governing body) of such airline or the entity that operates the loyalty program thereof.

"**Non-Defaulting Lender**" shall mean, at any time, a Lender that is not a Defaulting Lender.

"**Non-Extending Lender**" shall have the meaning set forth in Section 10.08. "**Non-Recourse Debt**" shall mean

Indebtedness:

(a) as to which neither Parent nor any of its Restricted Subsidiaries (i) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (ii) is directly or indirectly liable as a guarantor or otherwise; and

(b) as to which the holders of such Indebtedness do not otherwise have recourse to the stock or assets of Parent or any of its Restricted Subsidiaries (other than the Equity Interests of any Unrestricted Subsidiary).

"**Non-Recourse Financing Subsidiary**" shall mean any Unrestricted Subsidiary that (a) has no Indebtedness other than Non-Recourse Debt and (b) engages in no activities other than those relating to the financing of specified assets and other activities incidental thereto.

"**Non-SOFR Benchmark Replacement**" means any Benchmark Replacement determined in accordance with clause (3) of the definition of "Benchmark Replacement".

"**Obligations**" shall mean the unpaid principal of and interest on (including interest accruing after the maturity of the Term Loans and interest accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, winding up, reorganization or like proceeding, relating to any Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Term Loans, and all other obligations and liabilities of the Borrowers to any Agent or any Lender, whether direct or indirect, absolute or contingent, due

or to become due, or now existing or hereafter incurred, which arise under this Agreement or any other Loan Document, whether on account of principal, interest, reimbursement obligations, fees, indemnities, out-of-pocket costs, and expenses (including all fees, charges and disbursements of counsel to any Agent or any Lender that are required to be paid by the Borrowers pursuant hereto or under any other Loan Document) or otherwise.

"**Officer's Certificate**" shall mean a certificate delivered by a Borrower on its own behalf or on behalf of an Affiliate of a Borrower or Parent signed by any Responsible Officer of such Borrower or (at the Borrower's option) Parent.

"**On-line Tracking Data**" shall mean any information or data collected in relation to on-line activities that can reasonably be associated with a particular user or computer or other device.

"**Operating Lease**" shall mean, as applied to any Person, any lease (including, without limitation, leases that may be terminated by the lessee at any time) of any property (whether real, personal or mixed) under which such Person is lessee, that is not a lease representing Capital Lease Obligations.

"**Ordinary Course of Business**" shall mean with respect to Parent or any of its Subsidiaries, (a) in the ordinary course of business of, or in furtherance of an objective that is in the ordinary course of business of, Parent and its Subsidiaries, as applicable, (b) customary and usual in the commercial airline industry in the United States or (c) consistent with the past or current practice of one or more commercial air carriers in the United States.

"**Other Connection Taxes**" means, with respect to any recipient, Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such Tax (other than connections arising from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Term Loan or Loan Document).

"**Other Taxes**" shall mean any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.18).

"**Own Funds**" shall have the meaning set forth in Section 9.06.

"**Parent Bankruptcy Event**" shall mean (a) American or Parent (i) commences a voluntary case or proceeding under any Bankruptcy Law, (ii) consents to the entry of an order for relief against it in an involuntary case under any Bankruptcy Law or (iii) consents to the appointment of a receiver, trustee, liquidator, provisional liquidator, custodian, conservator or other similar official of it or for all or substantially all of its property or (b) a court of competent

jurisdiction enters an order or decree under any Bankruptcy Law that (i) is for relief against American or Parent, (ii) appoints a receiver, trustee, liquidator, provisional liquidator, custodian, conservator or other similar official of American or Parent for all or substantially all of the property of American or Parent, or (iii) orders the liquidation of American or Parent, and in each case under clause (b) the order or decree remains unstayed and in effect for sixty (60) consecutive days.

"**Parent Change of Control**" shall mean the occurrence of any of the following:

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of Parent and its Subsidiaries taken as a whole, or American and its Subsidiaries taken as a whole, to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)) (other than Parent or any of its Subsidiaries); or

(2) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any "person" (as defined above)) becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of Parent (measured by voting power rather than number of shares), other than, in the case of clause
(1) above or this clause (2), (A) any such transaction where the Voting Stock of Parent (measured by voting power rather than number of shares) outstanding immediately prior to such transaction constitutes or is converted into or exchanged for a majority of the outstanding shares of the Voting Stock of such Person or Beneficial Owner (measured by voting power rather than number of shares) or (B) any sale, transfer, conveyance or other disposition to, or any merger or consolidation of Parent with or into any Person (including any "person" (as defined above)) which owns or operates (directly or indirectly through a contractual arrangement) a Permitted Business (a "**Permitted Person**") or a Subsidiary of a Permitted Person, in each case under this clause (B), if immediately after such transaction no Person (including any "person" (as defined above)) is the Beneficial Owner, directly or indirectly, of more than 50% of the total Voting Stock of such Permitted Person (measured by voting power rather than number of shares).

For the avoidance of doubt, any Airline/Parent Merger and any Airlines Merger will not be a Parent Change of Control under this Agreement.

"**Parent Company**" shall mean, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

"**Participant**" shall have the meaning set forth in Section 10.02(d)(i).

"**Participant Register**" shall have the meaning set forth in Section 10.02(d)(i).

"**Patriot Act**" shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56 (signed into law on October 26, 2001), and any subsequent legislation that amends or supplements

such Act or any subsequent legislation that supersedes such Act.

"**Payment Account**" shall have the meaning set forth in Section 5.19(a).

"**Payment Date**" shall mean (a) the 20th calendar day of January, April, July and October of each year, or if such day is not a Business Day, the next succeeding Business Day, commencing July 20, 2021 and (b) the Termination Date.

"**Payment Date Statement**" shall mean a written statement substantially in the form attached hereto as Exhibit E setting forth the amounts to be paid pursuant to Section 2.10(b) on the related Payment Date.

"**Payment Material Adverse Effect**" shall mean a material adverse effect on (a) the ability of Loyalty Co to pay the Obligations, (b) the validity or enforceability of the Loan Documents or the rights or remedies of the Secured Parties, or (c) the validity, enforceability or collectability of the AAdvantage Agreements, the IP Licenses or the Contribution Agreements generally or any material portion of the AAdvantage Agreements, the IP Licenses or the Contribution Agreements, taken as a whole; *provided* that no condition or event that has been disclosed in the public filings for American on or prior to the Closing Date shall be considered a "Payment Material Adverse Effect" hereunder.

"**Payroll Accounts**" shall mean depository accounts used only for payroll.

"**PBGC**" shall mean the Pension Benefit Guaranty Corporation, or any successor agency or entity performing substantially the same functions.

"**Peak Debt Service Coverage Ratio**" shall mean, with respect to any Determination Date, the ratio obtained by dividing (i) the sum (without duplication) of (x) the aggregate amount of Collections deposited to the Collection Account during the Related Quarterly Reporting Period and (y) Cure Amounts deposited to the Collection Account on or prior to such Determination Date (and which remain on deposit in the Collection Account on such Determination Date) by (ii) the Maximum Quarterly Debt Service for such Determination Date; provided, however, that any amounts due during a Quarterly Reporting Period but deposited into the Collection Account no later than the Determination Date related to such Quarterly Reporting Period may at any Borrower's option upon notice to the Master Collateral Agent and the Administrative Agent, be treated as if such amounts were on deposit in the Collection Account as of the end of such Quarterly Reporting Period and if so treated, such amounts shall not be considered Collections for any other Payment Date for purposes of the Peak Debt Service Coverage Ratio calculation.

"**Peak Debt Service Coverage Ratio Test**" shall be satisfied as of any Determination Date if the Peak Debt Service Coverage Ratio is not less than (i) for the Determination Dates in July 2021, October 2021 and January 2022, 0.75 to 1.00; (ii) for the Determination Dates in April 2022, July 2022 and October 2022, 1.00 to 1.00; (iii) for the Determination Dates in January 2023 and April 2023, 1.50 to 1.00; and (iv) for any Determination Date thereafter, 2.00 to 1.00.

"**Permitted Acquisition Loyalty Program**" shall mean a Loyalty Program owned, operated or controlled, directly or indirectly, by a Specified Acquisition Entity or any of its Subsidiaries, or principally associated with such Specified Acquisition Entity or any of its Subsidiaries so long as: (1) the Specified Acquisition Entity's Loyalty Program is operated so that it is not more competitive, taken as a whole, than the AAdvantage Program (as determined by American in good faith), (2) American, Parent and its Subsidiaries do not take any action that would reasonably be expected to disadvantage the AAdvantage Program relative to the Specified Acquisition Entity's Loyalty Program, (3) no members of the AAdvantage Program are targeted for membership in the Specified Acquisition Entity's Loyalty Program; provided that this clause (3) shall not prohibit general advertisements, promotions or similar general marketing activities related to the Specified Acquisition Entity, (4) except as attributable to market or business conditions as determined in good faith by American, American will devote substantially similar resources to the AAdvantage Program, including to American distribution and marketing channels, as were applicable immediately prior to the consummation of the acquisition of the Specified Acquisition Entity; and (5) American, Parent and its Subsidiaries do not announce to the public, the members of the AAdvantage Program or the members of the Specified Acquisition Entity's Loyalty Program that the Specified Acquisition Entity's Loyalty Program is the primary Loyalty Program for American, Parent or its Subsidiaries.

"**Permitted Bond Hedge Transaction**" shall mean any call or capped call option (or substantively equivalent derivative transaction) on Parent's common stock (or a parent company of the Parent's common stock) purchased by the issuer of any Convertible Indebtedness in connection with the issuance of any such Convertible Indebtedness; provided that the purchase price for such Permitted Bond Hedge Transaction, less the proceeds received by the issuer of such Convertible Indebtedness from the sale of any related Permitted Warrant Transaction, does not exceed the net proceeds received by such issuer from the sale of such Convertible Indebtedness issued in connection with the Permitted Bond Hedge Transaction.

"**Permitted Business**" shall mean, (a) with respect to Parent and its Restricted Subsidiaries, any business that is similar, or reasonably related, ancillary, supportive or complementary to, or any reasonable extension of the businesses in which Parent and its Restricted Subsidiaries are engaged on the date of this Agreement, and (b) with respect to the SPV Parties, any business that is similar, or reasonably related, ancillary, supportive or complementary to, or any reasonable extension of the businesses in which the SPV Parties are engaged (including the operation of the AAdvantage Program) on the date of this Agreement.

"**Permitted Convertible Indebtedness Call Transaction**" shall mean any Permitted Bond Hedge Transaction and any Permitted Warrant Transaction.

"**Permitted Deposit Amounts**" has the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Permitted Disposition**" shall mean any of the following:

(a) the Disposition of Collateral permitted under the applicable Collateral Documents;

(b) the licensing or sub-licensing or granting of similar rights of Intellectual Property or other general intangibles pursuant to any AAdvantage Agreement or as otherwise permitted by (or pursuant to) the IP Agreements;

(c) the abandonment or cancellation of Intellectual Property in the Ordinary Course of Business;

(d) any transfer, deletion, de-identification or purge of any Personal Data that is required or permitted under applicable privacy laws, under any of the Loan Parties' public-facing privacy policies or in the Ordinary Course of Business (including in connection with terminating inactive AAdvantage Program member accounts) pursuant to the applicable Loan Party's privacy and data retention policies consistent with past practice;

(e) the Disposition of cash or Cash Equivalents constituting Collateral in exchange for other cash or Cash Equivalents constituting Collateral and having reasonably equivalent value therefor;

(f) to the extent constituting a Disposition, (i) the incurrence of Liens that are permitted to be incurred pursuant to Section 6.06, (ii) the making of (x) any Restricted Payment that is permitted to be made, and is made, pursuant to Section 6.01 or (y) any Permitted Investment or (iii) the re-designation of any AAdvantage Agreement as a Retained Agreement (and the corresponding release thereof from the Collateral) pursuant to Section 5.17(j);

(g) Dispositions in connection with the Intercompany Agreement or any IP Agreement;

(h) condemnation, expropriation or any similar action on assets or other dispositions required by a Governmental Authority or casualty or insured damage to assets;

(i) surrender or waive contractual rights and settle, release, surrender or waive contractual or litigation claims (or other Disposition of assets in connection therewith);

(j) the expiration of the following registered Intellectual Property: (A) any copyright, the term of which has expired under applicable law; (B) any patent, the term of which has expired under applicable law, taking into account all patent term adjustments and extensions, and provided that all maintenance fees are paid; and (C) any trademark or service mark, the term of which has expired under applicable law because a declaration or statement of use to maintain the registration cannot be submitted to, or has been rejected by, the relevant governmental authority because such trademark or service mark is no longer in use; in each case, subject to the terms and conditions of the IP Management Agreement;

(k) the sale of Miles in the Ordinary Course of Business under the terms of the AAdvantage Agreements;

(l) the disposition or discount of inventory, accounts receivable, or notes receivable in the Ordinary Course of Business or the conversion of accounts receivable to notes

receivable, in each case other than in respect of (A) the Intercompany Agreement and (B) the AAdvantage Agreements;

(m) any Disposition of (I) obsolete, negligible, uneconomical, worn out or surplus property or (II) other property (including any leasehold property interest) that is no longer
(A) economically practical in its business, (B) commercially desirable to maintain or (C) used or useful in its business;

(n) contributions of Collateral (i) from HoldCo 1 to HoldCo 2, (ii) HoldCo 2 to Loyalty Co, and (iii) solely with respect the assets of a Permitted Acquisition Loyalty Program, from Loyalty Co to a Permitted Loyalty Subsidiary; and

(o) the sale, lease or other transfer of any Currency in the Ordinary Course of Business or in accordance with any AAdvantage Agreement as in existence on the Closing Date (or any (i) permitted successor agreement thereto or (ii) new AAdvantage Agreement permitted under this Agreement, in each case that is included in the Collateral), or subsequently approved by the Administrative Agent.

"**Permitted Investments**" shall mean:

(a) with respect to any SPV Party:

(1) to the extent constituting an Investment, Investments in any SPV Party arising from the transactions contemplated in any Loan Document;

(2) any Investment in cash, Cash Equivalents and any foreign equivalents;

(3) any Investments received in a good faith compromise or resolution of (i) obligations of trade creditors or customers that were incurred in the Ordinary Course of Business, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (ii) litigation, arbitration or other disputes;

(4) prepayment or repurchase of any Senior Secured Debt in accordance with the terms and conditions of the Senior Secured Debt Documents;

(5) any guarantee of Indebtedness of the SPV Parties to the extent otherwise permitted under this Agreement;

(6) accounts receivable arising in the Ordinary Course of Business; and

(7) Investments in connection with outsourcing initiatives in the Ordinary Course of Business; and

(b) with respect to Parent and its Restricted Subsidiaries (other than the SPV Parties):

(1) any Investment in Parent or in a Restricted Subsidiary of Parent;

(2) any Investment in cash, Cash Equivalents and any foreign equivalents;

(3) any Investment by Parent or any Restricted Subsidiary of Parent (other than the SPV Parties) in a Person, if as a result of such Investment:

(A) such Person becomes a Restricted Subsidiary of Parent; or

(B) such Person, in one transaction or a series of related and substantially concurrent transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, Parent or a Restricted Subsidiary of Parent;

(4) any Investment made as a result of the receipt of non-cash consideration from a Disposition of assets;

(5) any acquisition of assets or Capital Stock in exchange for the issuance of Qualifying Equity Interests;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the Ordinary Course of Business of Parent or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (B) litigation, arbitration or other disputes;

(7) Investments represented by Hedging Obligations or made in connection therewith (including any cash collateral or other collateral that does not constitute Collateral provided to or by Parent or any of its Restricted Subsidiaries in connection with any Hedging Obligation);

(8) loans or advances to officers, directors or employees made in the Ordinary Course of Business of Parent or any Restricted Subsidiary of Parent (other than the SPV Parties) in an aggregate principal amount not to exceed $30,000,000 at any one time outstanding;

(9) prepayment or purchase of any Term Loans in accordance with the terms and conditions of this Agreement;

(10) any Guarantee of Indebtedness;

(11) any Investment existing on, or made pursuant to binding commitments existing on, the Closing Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Closing Date, including all AAdvantage Agreements;

provided that the amount of any such Investment may be increased (A) as required by the terms of such Investment as in existence on the Closing Date or (B) as otherwise permitted under this Agreement;

(12) (a) Investments or commitments to make Investments existing on the date hereof and any Investments consisting of extensions, modifications or renewals of such Investments and (b) any other Investments or commitments to make Investments acquired after the Closing Date and any Investments consisting of extensions, modifications or renewals of such Investments as a result of the acquisition by Parent or any Restricted Subsidiary of Parent (other than the SPV Parties) of another Person, including by way of a merger, amalgamation or consolidation with or into Parent or any of its Restricted Subsidiaries (other than the SPV Parties) in a transaction that is not prohibited by Section 6.10 after the Closing Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(13) the acquisition by a Receivables Subsidiary in connection with a Qualified Receivables Transaction of Equity Interests of a trust or other Person established by such Receivables Subsidiary to effect such Qualified Receivables Transaction; and any other Investment by Parent or a Subsidiary of Parent (other than the SPV Parties) in a Receivables Subsidiary or any Investment by a Receivables Subsidiary in any other Person in connection with a Qualified Receivables Transaction;

(14) Receivables arising in the Ordinary Course of Business, and Investments in Receivables and related assets including pursuant to a Receivables Repurchase Obligation;

(15) Investments in connection with outsourcing initiatives in the Ordinary Course of Business;

(16) Permitted Bond Hedge Transactions which constitute Investments;

(17) Investments having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value other than a reduction for all returns of principal in cash and capital dividends in cash), when taken together with all Investments made pursuant to this clause (17) that are at the time outstanding, not to exceed 30% of the Consolidated Total Assets of Parent and its Restricted Subsidiaries at the time of such Investment;

(18) Investments consisting of reimbursable extensions of credit; provided that any such Investment made pursuant to this clause (18) shall not be permitted if unreimbursed within 90 days of any such extension of credit;

(19) Investments in connection with financing any pre-delivery, progress or other similar payments relating to the acquisition of Aircraft Related Equipment;

(20) Investments in Non-Recourse Financing Subsidiaries (other than Receivables Subsidiaries in connection with Qualified Receivables Transactions), in an aggregate amount outstanding at any time not to exceed $300,000,000;

(21) Investments consisting of payments to or on behalf of any Person (including without limitation any third-party service provider) for purposes of improving or reconfiguring aircraft or Aircraft Related Equipment owned or operated by such Person in order to enhance or improve the brand under which Parent or any of its Affiliates operate, in an aggregate amount outstanding at any time not to exceed $300,000,000;

(22) Investments in travel or airline related businesses made in connection with Marketing and Service Agreements, alliance agreements, distribution agreements, agreements relating to flight training, agreements relating to insurance arrangements, agreements relating to spare parts management systems and other similar agreements which Investments under this clause (22) (excluding Investments existing on the Closing Date) shall not exceed $300,000,000 at any time outstanding;

(23) Investments consisting of payroll advances and advances for business and travel expenses in the Ordinary Course of Business;

(24) Investments made by way of any endorsement of negotiable instruments received in the Ordinary Course of Business and presented to any bank for collection or deposit;

(25) Investments consisting of stock, obligations or securities received in settlement of amounts owing to Parent or any Restricted Subsidiary in the Ordinary Course of Business or in a distribution received in respect of an Investment permitted hereunder;

(26) Investments made in Unrestricted Subsidiaries not to exceed $30,000,000 in any fiscal year in the aggregate;

(27) Investments (including through special-purpose subsidiaries or Unrestricted Subsidiaries) in fuel and credit card consortia and in connection with agreements with respect to fuel consortia, credit card consortia and fuel supply and sales, in each case, in the Ordinary Course of Business;

(28) Investments consisting of advances and loans to Affiliates of Parent or any of its Restricted Subsidiaries, in an aggregate amount outstanding at any time not to exceed $300,000,000;

(29) Investments made in Excluded Subsidiaries consistent with past practice and not to exceed $30,000,000 per fiscal year in the aggregate;

(30) Guarantees incurred in the Ordinary Course of Business of obligations that do not constitute Indebtedness of any regional air carrier doing business with any of Parent's Restricted Subsidiaries in connection with the regional air carrier's

business with such Restricted Subsidiary; advances to airport operators of landing fees and other customary airport charges for carriers on behalf of which Parent or any of its Restricted Subsidiaries provides ground handling services;

(31) so long as no Default or Event of Default has occurred and is continuing, any Investment by Parent and/or any Restricted Subsidiary of Parent (other than the SPV Parties);

(32) Investments consisting of guarantees of Indebtedness of any Person to the extent that such Indebtedness is incurred by such Person in connection with activities related to the business of Parent or any Restricted Subsidiary of Parent and Parent has determined that the incurrence of such Indebtedness is beneficial to the business of Parent or any of its Restricted Subsidiaries, in an aggregate amount outstanding at any time not to exceed $300,000,000;

(33) ownership by each of Parent and its Restricted Subsidiaries of the Capital Stock of each of its wholly-owned Subsidiaries; and

(34) Investments in connection with outsourcing initiatives in the Ordinary Course of Business.

For the avoidance of doubt, any Investment by an SPV Party that is not a Permitted Investment pursuant to clause (a) in the definition of "Permitted Investment" above shall be a Restricted Investment.

"**Permitted Liens**" shall mean:

(1) Liens securing the Priority Lien Debt, including pursuant to the Loan Documents, so long as such Indebtedness and such Liens are subject to the Collateral Agency and Accounts Agreement;

(2) Liens securing Junior Lien Debt; *provided* that such Liens secured by the Collateral shall (i) rank junior to the Liens secured by the Collateral securing the Obligations and
(ii) be subject to a Junior Lien Intercreditor Agreement;

(3) Liens of a collection bank arising under Section 4-208 of the New York Uniform Commercial Code or any comparable or successor provision on items in the course of collection;

(4) (i) any overdrafts and related liabilities arising from treasury, netting, depository and cash management services or in connection with any automated clearing house transfers of funds, in each case as it relates to cash or Cash Equivalents, if any, (ii) Liens in favor of depositary banks or a securities intermediary arising as a matter of law or that are contractual rights of set off encumbering deposits and that are within the general parameters customary in the banking or finance industry and (iii) other than with respect to the SPV Parties, attaching to commodity trading accounts or other commodity brokerage accounts incurred in the Ordinary

Course of Business;

(5) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently pursued; provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(6) Liens imposed by law, including carriers', vendors', materialmen's, warehousemen's, landlord's, mechanics', repairmen's, employees' or other like Liens, in each case, incurred in the Ordinary Course of Business;

(7) Liens arising by operation of law in connection with judgments, attachments or awards which do not constitute an Event of Default hereunder;

(8) to the extent constituting Liens, the rights granted by any Loan Party to another Loan Party or the Master Collateral Agent pursuant to the Intercompany Agreement or any IP Agreement (other than any rights granted thereunder following any amendment or modification thereof that is not permitted by the terms of such agreement or this Agreement);

(9) (i) leases and subleases by any Grantor as they relate to any Collateral and to the extent such leases or subleases (A) do not interfere in any material respect with the business of such Grantor and (B) do not relate to Intellectual Property or AAdvantage Agreements or (ii) to the extent constituting Liens, licenses, sub-licenses and similar rights as they relate to any AAdvantage Intellectual Property (A) granted to any third-party counterparty of any AAdvantage Agreements pursuant to the terms of such agreement or (B) as otherwise expressly permitted by the IP Licenses and the Collateral Documents to be granted to any Person (other than any sub-license or similar right granted thereunder following any amendment or modification thereof that is not permitted by the terms of such agreement or this Agreement);

(10) Liens on cash and Cash Equivalents that are earmarked to be used to satisfy or discharge Priority Lien Debt or Junior Lien Debt in connection with a permitted repayment thereof and in favor of the Master Collateral Agent (in the case of Priority Lien Debt) or the collateral agent, administrative agent or trustee in respect of such Junior Lien Debt; *provided* that (a) such cash and/or Cash Equivalents are deposited into an account from which payment is to be made, directly or indirectly, to the Person or Persons holding the Indebtedness that is to be satisfied or discharged, (b) such Liens extend solely to the account in which such cash and/or Cash Equivalents are deposited and are solely in favor of the Person or Persons holding the Indebtedness (or any agent or trustee for such Person or Persons) that is to be satisfied or discharged, and (c) the satisfaction or discharge of such Indebtedness is expressly permitted hereunder;

(11) Liens consisting of an agreement to dispose of any property pursuant to a Disposition permitted hereunder;

(12) rights reserved or vested in any Person by the terms of any lease, license, franchise, grant, or permit held by any Grantor or by a statutory provision, to terminate any such lease, license, franchise, grant, or permit, or to require annual or periodic payments as a condition

to the continuance thereof, in each case so long as such rights (A) do not interfere in any material respect with the business of such Grantor and (B) do not relate to Intellectual Property or AAdvantage Agreements except as provided in the Collateral Documents;

(13) (i) Liens in favor of issuers of performance, surety, bid, indemnity, warranty, release, appeal, or similar bonds or with respect to other regulatory requirements in connection therewith or (ii) letters of credit or bankers' acceptances issued, and completion guarantees provided for, in each case pursuant to the request of and for the account of such Person in the Ordinary Course of Business;

(14) Liens in favor of banking or other financial institutions or other electronic payment service providers arising as a matter of law or customary contract encumbering deposits, including deposits in "pooled deposit" or "sweep" accounts (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(15) Liens existing on the Closing Date set forth on Schedule 1.01(b);

(16) Liens arising in connection with the Intercompany Agreement or any IP Agreements;

(17) Liens (including all rights) of counterparties to AAdvantage Agreements arising under the terms thereof; and

(18) any extension, modification, renewal, refinancing or replacement of the Liens described in clauses (1) through (17) above, provided that such extension, modification, renewal or replacement does not increase the amount of Indebtedness associated therewith.

"**Permitted Loyalty Subsidiary**" shall mean, at any time, a Subsidiary of an SPV Party formed after the Closing Date (a) in connection with the transactions contemplated under Sections 5.17(e) and/or (i) and designated as a Permitted Loyalty Subsidiary by the Borrowers in accordance with Section 5.17(l) or (b) that is a Madrid SPV; provided that any such Subsidiary shall only be a Permitted Loyalty Subsidiary so long as (1) such Subsidiary is an exempted company incorporated with limited liability under the laws of the Cayman Islands or, solely in the case of a Madrid SPV, an entity formed under the laws of Luxembourg or, in the case of the Alternative Madrid SPV, such other jurisdiction agreed between the Borrowers and the Administrative Agent, (2) such Subsidiary satisfies each of the requirements set forth in Section 5.08, (3) such Subsidiary is a wholly-owned Subsidiary of Loyalty Co (or, in the case of an Alternative Madrid SPV, a wholly-owned Subsidiary of another SPV Party, so long as the Administrative Agent has consented thereto), (4) 100% of the Equity Interests in such Subsidiary are pledged as Collateral, (5) such Subsidiary is a "Grantor" (as defined in the Security Agreement) under and in accordance with the Security Agreement and (6) such Subsidiary is a Guarantor hereunder and guarantees the Guaranteed Obligations in accordance with Section 9.01.

"**Permitted Pre-paid Miles Purchases**" shall mean Pre-paid Miles Purchases permitted by Section 6.02(b).

"**Permitted Refinancing Indebtedness**" shall mean any Indebtedness (or commitments in respect thereof) of Parent or any of its Restricted Subsidiaries (other than the SPV Parties) incurred in exchange for, or the net proceeds of which are used to renew, refund, extend, refinance, replace, defease or discharge all or a portion of other Indebtedness of any of Parent or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the original principal amount (or accreted value, if applicable) when initially incurred of the Indebtedness renewed, refunded, extended, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness (whether or not capitalized or accreted or payable on a current basis) and the amount of all fees and expenses, including premiums, incurred in connection therewith (such original principal amount plus such amounts described above, collectively, for purposes of this clause (1), the "preceding amount")); *provided* that with respect to any such Permitted Refinancing Indebtedness that is refinancing secured Indebtedness and is secured by all or a portion of the same collateral, the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness shall not exceed the greater of the preceding amount and the Fair Market Value of the assets securing such Permitted Refinancing Indebtedness (which Fair Market Value may, at the time of an advance commitment, be determined to be the Fair Market Value at the time of such commitment or (at the option of the issuer of such Indebtedness) the Fair Market Value projected for the time of incurrence of such Indebtedness);

(2) if such Permitted Refinancing Indebtedness has a maturity date that is after the Term Loan Maturity Date (with any amortization payment comprising such Permitted Refinancing Indebtedness being treated as maturing on its amortization date), such Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity that is
(A) equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, extended, refinanced, replaced, defeased or discharged or (B) more than 60 days after the Term Loan Maturity Date;

(3) if the Indebtedness being renewed, refunded, extended, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Term Loans, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Term Loans on terms at least as favorable to the Lenders as those contained in the documentation governing the Indebtedness being renewed, refunded, extended, refinanced, replaced, defeased or discharged; and

(4) notwithstanding that the Indebtedness being renewed, refunded, refinanced, extended, replaced, defeased or discharged may have been repaid or discharged by Parent or any of its Restricted Subsidiaries prior to the date on which the new Indebtedness is incurred, Indebtedness that otherwise satisfies the requirements of this definition may be designated as Permitted Refinancing Indebtedness so long as such renewal, refunding, refinancing, extension, replacement, defeasance or discharge occurred not more than 36 months prior to the date of such incurrence of Permitted Refinancing Indebtedness.

"**Permitted Replacement AAdvantage Agreement**" shall mean any AAdvantage Agreement entered into by any Loan Party to replace any Material AAdvantage Agreement (other than the Intercompany Agreement) that has been (or will be) terminated, cancelled or expired; provided that:

(a) the Rating Agency Condition has been met;

(b) the counterparty to such Permitted Replacement AAdvantage Agreement shall have a corporate rating from at least two of S&P, Moody's and Fitch of not lower than BBB (or the equivalent thereof), Baa2 (or the equivalent thereof) and BBB (or the equivalent thereof), respectively;

(c) the projected cash payments (as determined in good faith by the Loan Parties) under such Permitted Replacement AAdvantage Agreement for the immediately succeeding 12 months shall equal no less than 85% of the actual cash payments of the Material AAdvantage Agreement that it is replacing for the 12 months preceding the termination of such Material AAdvantage Agreement;

(d) such Permitted Replacement AAdvantage Agreement shall expressly permit the applicable Loan Party to pledge its rights thereunder to the Master Collateral Agent;

(e) such Permitted Replacement AAdvantage Agreement shall have confidentiality obligations that are not materially more restrictive (taken as a whole) than the confidentiality obligations in the Material AAdvantage Agreements in existence on the date hereof (as determined in good faith by the Loan Parties);

(f) such Permitted Replacement AAdvantage Agreement shall not have a scheduled termination date prior to the scheduled termination date of the AAdvantage Agreement being replaced; and

(g) no Early Amortization Event or Event of Default would result therefrom.

It being acknowledged and agreed that so long as the conditions in clauses (a) through (g) of this definition are satisfied, an amendment and restatement, amendment and/or extension of a then existing Material AAdvantage Agreement with an existing counterparty shall constitute a Permitted Replacement AAdvantage Agreement.

"**Permitted Warrant Transaction**" shall mean any call option, warrant or right to purchase (or substantively equivalent derivative transaction) on Parent's common stock (or a parent company of the Parent's common stock) sold by Parent substantially concurrently with any purchase of a related Permitted Bond Hedge Transaction.

"**Person**" shall mean any natural person, corporation, division of a corporation, partnership, limited liability company, exempted company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

"**Personal Data**" shall mean (i) any information or data that alone or together with any other data or information can be used to identify, directly or indirectly, a natural person or otherwise relates to an identified or identifiable natural person and (ii) any other information or data considered to be personally identifiable information or data under applicable law.

"**Petition Date**" shall have the meaning set forth in the definition of "American Case Milestones".

"**Plan**" shall mean a single employer plan, as defined in Section 4001(a)(15) of ERISA, that is a pension plan subject to the provisions of Title IV of ERISA, Sections 412 or 430 of the Code or Section 302 of ERISA.

"**Pre-paid Miles Purchases**" shall mean the sale by any Loan Party of pre-paid Miles to a counterparty of an AAdvantage Agreement or another co-brand, partnering or similar agreements relating to the AAdvantage Program or any similar transaction involving a counterparty of such an agreement advancing funds to Parent or any of its Subsidiaries against future payments to Parent or any of its Subsidiaries by such counterparty under such agreement for the purchase of Miles.

"**Premium**" shall mean any amounts under clauses (a), (b), (c) or (d) of Section 2.21.

"**Prime Rate**" shall mean the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"**Priority Lien Cap**" shall mean, at any time, an amount equal to the sum of (a) $10,000,000,000 *plus* (b) the Incremental Priority Amount at such time (if any).

"**Priority Lien Debt**" shall mean (i) the Term Loans; (ii) the notes issued under the Indenture; and (iii) any incremental Term Loans or other Indebtedness incurred or any additional notes issued under the Indenture or one or more other indenture(s), in each case, incurred or issued after the Closing Date, pursuant to and in accordance with Section 6.02(c).

"**Priority Lien Debt Documents**" shall mean any documents, instruments, notes, credit agreements, purchase agreements or other agreements entered into in connection with the incurrence or issuance of any Priority Lien Debt.

"**Pro Rata Share**" means, on any date, a proportion equal to (a) the aggregate principal amount of Term Loans outstanding on such date *divided by* (b) the aggregate principal amount of Priority Lien Debt outstanding on such date.

"**PTE**" shall mean a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"**QEC Kits**" shall mean the quick engine change kits owned by Parent or any of its Restricted Subsidiaries.

"**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"**QFC Credit Support**" shall have the meaning set forth in Section 10.21. "**Qualified Professional Asset Manager**" shall have

the meaning set forth in

Section 10.20(a)(iii)(A).

"**Qualified Receivables Transaction**" shall mean any transaction or series of transactions entered into by Parent or any of its Subsidiaries (other than the SPV Parties) pursuant to which Parent or any of its Subsidiaries (other than the SPV Parties) sells, conveys or otherwise transfers to (a) a Receivables Subsidiary or any other Person other than any SPV Party (in the case of a transfer by Parent or any of its Subsidiaries) and (b) any other Person other than any SPV Party (in the case of a transfer by a Receivables Subsidiary), or grants a security interest in, any Receivables (whether now existing or arising in the future) of Parent or any of its Subsidiaries (other than any SPV Party), and any assets related thereto including, without limitation, all Equity Interests and other investments in the Receivables Subsidiary, all collateral securing such Receivables, all contracts and all guarantees or other obligations in respect of such Receivables, proceeds of such Receivables and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving Receivables, other than assets that constitute Collateral or proceeds of Collateral. For the avoidance of doubt, in no event shall (i) any SPV Party be permitted to enter into any Qualified Receivables Transaction or (ii) any assets that constitute Collateral be pledged, sold, conveyed or otherwise transferred under or in connection with any Qualified Receivables Transaction.

"**Qualified Replacement Assets**" shall mean assets used or useful in the business of the Loan Parties that shall be pledged as Collateral on a first lien basis.

"**Qualifying Equity Interests**" shall mean Equity Interests of Parent other than Disqualified Stock.

"**Qualifying Note Debt**" shall mean Indebtedness issued in a Capital Markets Offering by the Borrowers on the Closing Date.

"**Quarterly Reporting Period**" means (a) initially, the period commencing on the Closing Date and ending on June 30, 2021, and (b) thereafter, each successive period of three consecutive months.

"**Rating Agency**" shall mean (1) each of Fitch, Moody's, and S&P, and (2) if any

of Fitch, Moody's, or S&P ceases to rate the Term Loans or fails to make a rating of the Term Loans publicly available for reasons outside of American's control, a "nationally recognized statistical rating organization" as defined in Section 3 (a)(62) of the Exchange Act, selected by American (as certified by a resolution of American's Board of Directors) as a replacement agency for Fitch, Moody's, or S&P, or all of them, as the case may be.

"**Rating Agency Condition**" shall mean, with respect to any then-existing Term Loans and any action, the Borrowers have provided evidence to the Administrative Agent and the Collateral Administrator that each Rating Agency that has provided a rating for the Facility pursuant to Section 5.16 has provided a written confirmation that such action will not result in either (A) a withdrawal of its credit ratings on the then-existing Term Loans or (B) the assignment of credit ratings on the then-existing Term Loans below the lower of (x) the then-current credit ratings on such Term Loans and (y) the initial credit ratings assigned to such Term Loans (in each case, without negative implications); *provided* that any time that there are no Term Loans rated by a Rating Agency, references to any condition or requirement that the "Rating Agency Condition" shall have been satisfied shall have no effect and no such action shall be required.

"**Receivables**" shall mean Accounts, and shall also include ticket receivables, sales of frequent flyer miles and other present and future revenues and receivables that may be the subject of a Qualified Receivables Transaction.

"**Receivables Repurchase Obligation**" shall mean any obligation of a seller of Receivables in a Qualified Receivables Transaction to repurchase Receivables and related assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a Receivable or portion thereof becoming subject to any asserted defense, dispute, offset or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"**Receivables Subsidiary**" shall mean (x) a Subsidiary of Parent (other than the SPV Parties) which engages in no activities other than in connection with the financing or securitization of Receivables and which is designated by the Board of Directors of American or of Parent (as provided below) as a Receivables Subsidiary (a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (1) is guaranteed by Parent or any Restricted Subsidiary of Parent (other than comprising a pledge of the Capital Stock or other interests in such Receivables Subsidiary (an "incidental pledge"), and excluding any guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to representations, warranties, covenants and indemnities entered into in the Ordinary Course of Business in connection with a Qualified Receivables Transaction), (2) is recourse to or obligates Parent or any Restricted Subsidiary of Parent in any way other than through an incidental pledge or pursuant to representations, warranties, covenants and indemnities entered into in the Ordinary Course of Business in connection with a Qualified Receivables Transaction or (3) subjects any property or asset of Parent or any Subsidiary of Parent (other than accounts receivable and related assets as provided in the definition of "Qualified Receivables Transaction"), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to representations, warranties, covenants and indemnities entered into in the Ordinary Course of Business in connection with a Qualified Receivables Transaction, (b) with which neither Parent nor any

Subsidiary of Parent has any material contract, agreement, arrangement or understanding (other than pursuant to the Qualified Receivables Transaction) other than (i) on terms no less favorable to Parent or such Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of Parent, and (ii) fees payable in the Ordinary Course of Business in connection with servicing accounts receivable and (c) with which neither Parent nor any Subsidiary of Parent has any obligation to maintain or preserve such Subsidiary's financial condition, other than a minimum capitalization in customary amounts, or to cause such Subsidiary to achieve certain levels of operating results or (y) any Subsidiary of a Receivables Subsidiary. Any such designation by the Board of Directors of American or of Parent will be evidenced to the Administrative Agent by filing with the Administrative Agent a certified copy of the resolution of the Board of Directors of American or of Parent giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions. For the avoidance of doubt, (A) Parent and any Restricted Subsidiary of Parent (other than any SPV Party) may enter into Standard Securitization Undertakings for the benefit of a Receivables Subsidiary, and (B) in no event shall any SPV Party (i) be a Receivables Subsidiary, (ii) be permitted to enter into any Qualified Receivables Transaction or (iii) have any obligations (whether contingent or otherwise) under, with respect to or in connection with any Qualified Receivables Transaction (including any Standard Securitization Undertakings) in any manner whatsoever.

"**Recovery Event**" shall mean any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding relating to any Collateral.

"**Reference Time**" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is ~~USD LIBOR, 11:00 a~~**SOFR, 5:00 p**.m. (~~London~~**New York City** time) on the day that is two ~~London banking days~~**U.S. Government Securities Business Days** preceding the date of such setting, and (2) if such Benchmark is not ~~USD LIBOR~~**SOFR**, the time determined by the Administrative Agent in its reasonable discretion.

"**Refinanced Term Loans**" shall have the meaning set forth in Section 10.08(a). "**Regional Airline**" shall mean Envoy Aviation Group Inc., Piedmont Airlines, Inc. and PSA Airlines, Inc. and their respective Subsidiaries.

"**Register**" shall have the meaning set forth in Section 10.02(b)(iv).

"**Related Parties**" shall mean, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, partners, members, employees, agents and advisors of such Person and such Person's Affiliates.

"**Related Quarterly Reporting Period**" shall mean, with respect to any Allocation Date, Determination Date or Payment Date, the most recently completed Quarterly Reporting Period.

"**Release**" shall have the meaning specified in Section 101(22) of the Comprehensive Environmental Response Compensation and Liability Act.

"**Relevant Governmental Body**" shall mean the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"**Replacement Term Loans**" shall have the meaning set forth in Section 10.08(a).

"**Required Class Lenders**" shall mean, at any time, Lenders holding more than 50% of the Term Loans (or Term Loan Commitments) of any Class.

"**Required Lenders**" shall mean, at any time, Lenders holding more than 50% of (a) until the funding of the Initial Term Loans, the Term Loan Commitments then in effect and (b) thereafter, the aggregate principal amount of all Term Loans outstanding. The outstanding Term Loans and Term Loan Commitments of any Defaulting Lender shall be disregarded in determining the "**Required Lenders**" at any time.

"**Required Number of Independent Directors**" means (x) with respect to HoldCo 1 and HoldCo 2, one (1) Independent Director, and (y) with respect to each other SPV Party, two (2) Independent Directors.

"**Requirement of Law**" shall mean, with respect to any Person, the common law and any federal, state, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, or requirements of, any Governmental Authority, in each case having the force of law and that are applicable to or binding upon such Person or any of its Property or to which such Person or any of its Property is subject.

"**Reserve Account**" shall have the meaning set forth in Section 5.18(a).

"**Reserve Account Required Balance**" shall mean, with respect to any date, an amount equal to the sum of the Interest Distribution Amount that was due with respect to each Class of Term Loans on the most recent Payment Date; provided that (i) at any time prior to the second Payment Date following the Closing Date, the Reserve Account Required Balance shall be an amount equal to the sum of the Interest Distribution Amount with respect to each Class of Term Loans that would be payable on the next occurring Payment Date assuming the Day Count Fraction is determined using an elapsed period of 90 days and (ii) for the avoidance of doubt, on each Payment Date (other than the first Payment Date following the Closing Date) the Reserve Account Required Balance shall be the sum of the Interest Distribution Amount with respect to each Class of Term Loans that is due on such Payment Date.

"**Resignation Effective Date**" shall have the meaning set forth in Section 8.05.

"**Resolution Authority**" shall mean an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"**Responsible Officer**" shall mean, with respect to any Person, the Chairman of the

Board of Directors, the Vice Chairman of the Board of Directors, any Director of the Board of Directors, the President, the Chief Financial Officer, any Executive Vice President, any Senior Vice President, any Vice President, the Secretary, any Assistant Corporate Secretary, the Treasurer or any Assistant Treasurer.

"**Restricted Investment**" shall mean an Investment other than a Permitted Investment.

"**Restricted Payments**" shall have the meaning set forth in Section 6.01(a). "**Restricted Subsidiary**" of a Person shall mean any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"**Retained Agreements**" shall mean, at any time, all currently existing co-branding agreements, partnering agreements, airline-to-airline frequent flyer program agreements or similar agreements related to or entered into in connection with the AAdvantage Program, in each case, as amended, restated, extended, replaced, supplemented or otherwise modified from time to time, and with respect to which the rights therein have not been transferred to Loyalty Co to the extent permitted under Section 5.17(j), but excluding the American Airline Business Agreements.

"**S&P**" shall mean Standard & Poor's Ratings Services, together with its successors.

"**Sale of a Grantor**" shall mean, with respect to any Collateral, an issuance, sale, lease, conveyance, transfer or other disposition of:

(i) in the case where the Grantor that owns such Collateral is an SPV Party, the Equity Interests of such Grantor, or

(ii) in the case of any other Grantor, the Capital Stock of the applicable Grantor that owns such Collateral, other than (1) an issuance of Equity Interests by a Grantor to Parent or another Restricted Subsidiary of Parent and (2) an issuance of directors' qualifying shares.

"**Scheduled Principal Amortization Amount**" shall mean, with respect to each Payment Date, the sum of (a) an amount equal to (i) $0 in the case of the Payment Date occurring in July 2021 and the next seven (7) Payment Dates occurring thereafter and (ii) $175,000,000, in the case of the Initial Amortization Date and each Payment Date occurring thereafter, as each such amount may be adjusted with respect to any prepayments applied to reduce Scheduled Principal Amortization Amounts in accordance with Section 2.12 or Section 2.13 prior to such Payment Date and as may be adjusted in connection with the incurrence of any Incremental Term Loans, Extended Term Loans or Replacement Term Loans *plus* (b) any unpaid Scheduled Principal Amortization Amounts from prior Payment Dates.

"**SEC**" shall mean the United States Securities and Exchange Commission.

"**Secured Parties**" shall mean the Agents and the Lenders.

"**Securities Act**" shall mean the Securities Act of 1933, as amended.

"**Security Agreement**" shall mean that certain Security Agreement, dated as of the Closing Date, among Loyalty Co, Hold Co 1, Hold Co 2, certain other grantors party thereto from time to time and the Master Collateral Agent.

"**Senior Secured Amortization Amount**" shall mean, with respect to any Payment Date, the sum of:

(a) the Scheduled Principal Amortization Amount that will be due on such Payment Date for the Term Loans; and

(b) the sum of the "Scheduled Principal Amortization Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Senior Secured Debt Documents) that will be due on such Payment Date for each Series of Senior Secured Debt (other than the Term Loans) (but excluding, for the avoidance of doubt, any balloon or bullet payments of the principal amount thereof at final maturity thereof).

"**Senior Secured Debt**" shall have the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Senior Secured Debt Documents**" shall have the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Shortfall Period**" shall have the meaning set forth in Section 2.24.

"**SOFR**" shall mean, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website at approximately 8:00 a.m. (New York City time) on the immediately succeeding Business Day.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Determination Date" shall have the meaning set forth in the definition of "Daily Simple SOFR".

"SOFR Loan" means a Loan that bears interest at a rate based on Adjusted Term SOFR.

"SOFR Rate Day" shall have the meaning set forth in the definition of "Daily

Simple SOFR".

"**Solvent**" shall mean, for any Person, that (a) the fair market value of its assets (on a going concern basis) exceeds its liabilities, (b) it has and will have sufficient cash flow to pay its debts as they mature in the ordinary course of business and (c) it does not and will not have unreasonably small capital to engage in the business in which it is engaged and proposes to engage.

"**Specified Acquisition Entity**" shall mean any entity that is (x) acquired by American or any of its Subsidiaries (other than any SPV Party) after the Closing Date (whether such entity becomes wholly or less than 100% owned by American or any of its Subsidiaries (other than any SPV Party)) or (y) another commercial airline (including any business lines or divisions thereof) with which American or such a Subsidiary of American merges or enters into an acquisition transaction.

"**Specified Intellectual Property**" shall mean (i) any AAdvantage Intellectual Property (A) listed in any Contribution Agreement entered into on the Closing Date as being Specified Intellectual Property, or (B) consisting of trademarks developed or acquired after the Closing Date, in each case, which cannot be transferred or contributed due to applicable law or regulation in any applicable jurisdictions, applicable privacy policy restrictions, domain registrar restrictions or existing contractual restrictions; or (ii) Composite Marks that must, by determination of an applicable trademark office for a particular country, be owned by an entity that otherwise owns the related Contributed Property.

"**Specified Loyalty Program**" shall have the meaning set forth in the definition of "Incremental Priority Amount."

"**Specified Minority Owned Program**" means the primary Loyalty Program operated by China Southern Airlines or any other airline (or entity that operates the loyalty program thereof) in which Parent and its applicable Subsidiaries have a Non-Control Investment, in each case only so long as such entity remains a Non-Control Investment of Parent and its applicable Subsidiaries.

"Specified Organization Documents" shall mean (i) the Amended and Restated Memorandum and Articles of Association of Loyalty Co, dated the date hereof, (ii) the Amended and Restated Memorandum and Articles of Association of HoldCo 2, dated the date hereof, (iii) the Amended and Restated Memorandum and Articles of Association of HoldCo 1, dated the date hereof and (iv) the Memorandum and Articles of Association of each Permitted Loyalty Subsidiary (if any).

"**SPV Parties**" shall mean Loyalty Co, HoldCo 1 and HoldCo 2 and any Permitted Loyalty Subsidiaries.

"**SPV Party Change of Control**" shall mean the occurrence of any of the following:

(1) the failure of American to directly own 100% of the Equity Interests in HoldCo 1 (excluding any special share(s) issued to Walkers Fiduciary Limited);

(2) the failure of HoldCo 1 to directly own 100% of the Equity Interests in HoldCo 2 (excluding any special share(s) issued to Walkers Fiduciary Limited); or

(3) the failure of HoldCo 2 to directly own 100% of the Equity Interests in Loyalty Co (excluding any special share(s) issued to Walkers Fiduciary Limited).

"**SPV Provisions**" shall mean the definitions and articles specified in the definition of "Prohibited Resolutions" in the Specified Organization Documents of each SPV Party.

"**Standard Securitization Undertakings**" shall mean all representations, warranties, covenants, indemnities, performance Guarantees and servicing obligations entered into by Parent or any Subsidiary (other than a Receivables Subsidiary), which are customary in connection with any Qualified Receivables Transaction.

"**Stated Maturity**" shall mean, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Closing Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

~~"Statutory Reserve Rate" shall mean a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the LIBO Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurodollar Term Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in reserve percentage.~~

"**Subordinated Debt**" shall have the meaning set forth in Section 9.06. "**Subsidiary**" shall mean, with respect to

any Person:

(1) any corporation, association or other business entity (other than a partnership, joint venture or limited liability company) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time of determination owned or controlled, directly or

indirectly, by such Person or one or more of the other Subsidiaries of such Person (or a combination thereof); and

(2) any partnership, joint venture or limited liability company of which (A) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise and (B) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"**Subsidiary Guarantor**" shall mean each Guarantor (other than Parent and the SPV Parties).

"**Supported QFC**" shall have the meaning set forth in Section 10.21.

"**Successor Company**" shall have the meaning set forth in Section 6.10(a).

"**Swap Contract**" shall mean (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, that are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "**Master Agreement**"), including any such obligations or liabilities under any Master Agreement.

"**Taxes**" shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Term Lender**" shall mean each Lender having a Term Loan Commitment or, as the case may be, an outstanding Term Loan.

"**Term Loan Commitment**" shall mean the commitment of each Term Lender to make a Class of Term Loans hereunder and, in the case of the Initial Term Loans in an aggregate principal amount equal to the amount set forth under the heading "**Initial Term Loan Commitment**" opposite its name in Annex A hereto or in the Assignment and Acceptance pursuant to which such Lender became a party hereto. The aggregate amount of the Initial Term Loan Commitments is $3,500,000,000.

"**Term Loan Maturity Date**" shall mean, (a) with respect to the Initial Term Loans that have not been extended pursuant to Section 2.28, April 20, 2028 and (b) with respect to the Extended Term Loans, the final maturity date therefor as specified in the Extension Offer accepted by the respective Term Loans (as the same may be further extended pursuant to Section 2.28).

"**Term Loans**" shall mean the Initial Term Loans, any Incremental Term Loans, any Extended Term Loans, any Refinanced Term Loans and any Replacement Term Loans, as applicable.

"**Term SOFR**" means~~, for the applicable Corresponding Tenor as of the applicable Reference Time, :~~

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Periodic Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; and

(b) for any calculation with respect to an ABR Term Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "ABR Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day.

"Term SOFR Adjustment" means a percentage per annum equal to 0.26161%:

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR ~~**that has been selected or recommended by the Relevant Governmental Body**~~.

"**Termination Date**" shall mean the earlier to occur of (a) the Term Loan Maturity Date and (b) the date of acceleration of the Term Loans in accordance with the terms hereof.

"**Third Party Processor**" shall mean a third party provider or other third party that accesses, collects, stores, transmits, transfers, processes, discloses or uses Personal Data on behalf of a Borrower.

"**Threshold Amount**" shall have the meaning set forth in Section 2.12(b).

"**Title 14**" shall mean Title 14 of the U.S. Code of Federal Regulations, including Part 93, Subparts K and S thereof, as amended from time to time or any successor or recodified regulation.

"**Title 49**" shall mean Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto, and any subsequent legislation that amends, supplements or supersedes such provisions.

"**Trade Secrets**" shall mean confidential and proprietary information, including trade secrets (as defined under the Uniform Trade Secrets Act or the federal Defend Trade Secrets Act of 2016, or as otherwise defined in the applicable jurisdiction) and proprietary know-how, which may include all inventions (whether or not patentable), invention disclosures, methods, processes, designs, algorithms, source code, customer lists and data (including AAdvantage Customer Data), databases, compilations, collections of data, practices, processes, specifications, test procedures, flow diagrams, research and development, and formulas.

"**Transaction Documents**" shall mean the Loan Documents, the IP Agreements, the Intercompany Agreement, the American Intercompany Note, the Deeds of Undertaking, Co-Branded Consents and the Specified Organization Documents.

"**Transaction Revenue**" shall mean, without duplication, (a) all payments in cash paid to any Loan Party under the AAdvantage Agreements other than the Intercompany Agreement, (b) all payments in cash paid to Loyalty Co under the Intercompany Agreement and the IP Licenses and (c) all other payments in cash received by Loyalty Co. For the avoidance of doubt, Transaction Revenues shall not include (i) payments made by any SPV Party to any other SPV Party, (ii) any Permitted Deposit Amounts and (iii) any taxes paid to Loyalty Co that Loyalty Co collects for, or on behalf of, any Governmental Authority.

"**Transactions**" shall mean the execution, delivery and performance by the Loan

Parties of this Agreement and the other Transaction Documents to which they may be a party, the creation of the Liens in the Collateral in favor of the Master Collateral Agent and the Collateral Administrator, in each case for the benefit of the Secured Parties, the borrowing of Term Loans and the use of the proceeds thereof.

"**Treasury Rate**" shall mean with respect to any Trigger Date, the yield to maturity as of such Trigger Date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two (2) Business Days prior to the Trigger Date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the Trigger Date to the third anniversary of the Closing Date (or if such period is shorter than the shortest period which such yield is so published or otherwise so publicly available, such shortest period).

"Trigger Date" shall have the meaning set forth in the definition of "Make-Whole Amount."

"**U.S. Special Resolution Regimes**" shall have the meaning set forth in Section 10.21.

"**UCC**" shall mean the Uniform Commercial Code as in effect from time to time in any applicable jurisdiction.

"**UK Financial Institution**" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Unadjusted Benchmark Replacement**" shall mean the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

"**United States Citizen**" shall have the meaning set forth in Section 3.02. "**Unrestricted Subsidiary**" shall mean any

Subsidiary of Parent (other than American or any SPV Party) that is designated by Parent as an Unrestricted Subsidiary in compliance with Section 5.06 or any Subsidiary of an Unrestricted Subsidiary, but only if such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 6.05, is not party to any agreement, contract,

arrangement or understanding with Parent or any Restricted Subsidiary of Parent unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to Parent or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of Parent;

(3) is a Person with respect to which neither Parent nor any of its Restricted Subsidiaries has any direct or indirect obligation (A) to subscribe for additional Equity Interests or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of Parent or any of its Restricted Subsidiaries; and

(5) does not own any assets or properties that constitute Collateral.

"**US Airways**" shall mean US Airways, Inc., a Delaware corporation, which merged with and into American with American as the surviving entity.

"**US Airways Closing Date**" shall mean May 24, 2013.

"**US Airways Indenture**" shall mean the Indenture, dated as of May 24, 2013, between US Airways and Wilmington Trust, National Association, as trustee, as amended or supplemented from time to time.

"~~**USD-LIBOR" shall mean the London interbank offered rate for U.S. dollars**~~**U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities**.

"**U.S. Person**" shall mean any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"**U.S. Tax Compliance Certificate**" shall have the meaning set forth in Section 2.16(f).

"**Voting Stock**" of any specified Person as of any date shall mean the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"**Weighted Average Life to Maturity**" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing:

1. the sum of the products obtained by multiplying (A) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal,

including payment at final maturity, in respect of the Indebtedness, by (B) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

2. the then-outstanding principal amount of such Indebtedness.

"**Withholding Agent**" shall mean each Loan Party and the Administrative Agent.

"**Working Capital**" shall mean, as of any date, (i) the current assets (excluding cash and Cash Equivalents) of Parent minus (ii) the current liabilities of Parent (other than the current portion of long term debt), in each case, determined on a consolidated basis and otherwise, in accordance with GAAP as of such date.

"**Write-Down and Conversion Powers**" shall mean, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented, extended, amended and restated or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or therein), (b) any reference herein to any Person shall be construed to include such Person's permitted successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, unless expressly provided otherwise, (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (f) "knowledge" or "aware" or words of similar import shall mean, when used in reference to the Borrowers or the Guarantors, the actual knowledge of any Responsible Officer and (g) the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the

word “through” means “to and including”. In the case of any cure or waiver under the Loan Documents, the Borrowers, the applicable Loan Parties, the Lenders and the Agents shall be restored to their former positions and rights hereunder and under the other Loan Documents, and any Default or Event of Default cured or waived pursuant to the Loan Documents shall be deemed to be cured and not continuing, it being understood that no such cure or waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

Section 1.03 Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided* that, if American notifies the Administrative Agent that American requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies American that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Upon any such request for an amendment, American, the Required Lenders and the Administrative Agent agree to consider in good faith any such amendment in order to amend the provisions of this Agreement so as to reflect equitably such accounting changes so that the criteria for evaluating American’s consolidated financial condition shall be the same after such accounting changes as if such accounting changes had not occurred.

Section 1.04 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

Section 1.05 Rounding. Any financial ratios required to be maintained by the Borrowers pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number.

Section 1.06 References to Agreements, Laws, Etc. Unless otherwise expressly provided herein, (a) references to organizational or constitutional documents, agreements (including the Loan Documents), and other contractual requirements shall be deemed to include all subsequent amendments, restatements, amendment and restatements, extensions, supplements, modifications, restructurings, replacements, refinancings, renewals, or increases (in each case, where applicable, whether pursuant to one or more agreements or with different lenders or agents and whether provided under the original credit agreement or one or more other credit agreements, indentures, financing agreements or otherwise, including any agreement extending the maturity thereof, otherwise restructuring all or any portion of the Indebtedness thereunder, increasing the

amount loaned or issued thereunder, altering the maturity thereof or providing for other Indebtedness), but only to the extent that such amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, restructurings, refinancings, renewals, or increases are not prohibited by any Loan Document; (b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting such Requirement of Law; and (c) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all of the functions thereof.

Section 1.07 Exchange Rate.

(a) Any amount specified in this Agreement (other than in Section 2) or any of the other Loan Documents to be in Dollars shall also include the equivalent of such amount in any currency other than Dollars, such equivalent amount to be determined at the rate of exchange quoted by the Reuters World Currency Page for the applicable currency at 11:00 a.m. (London time) on such day (or, in the event such rate does not appear on any Reuters World Currency Page, by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and Loyalty Co, or, in the absence of such agreement, by reference to such publicly available service for displaying exchange rates as the Administrative Agent selects in its reasonable discretion).

(b) For purposes of determining the Peak Debt Service Coverage Ratio, the amount of Indebtedness shall reflect the currency translation effects, determined in accordance with GAAP, of Hedging Obligations permitted hereunder for currency exchange risks with respect to the applicable currency in effect on the date of determination of the Dollar equivalent of such Indebtedness.

(c) Notwithstanding the foregoing, for purposes of determining compliance with Section 6 or the definitions of "Permitted Dispositions" "Permitted Investments" and "Permitted Liens" (and, in each case, other definitions used therein) with respect to the amount of any Indebtedness, Lien, disposition, Investment, Restricted Payment, Affiliate Transaction or other applicable transaction in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of currency exchange occurring after the time such Indebtedness or Lien is incurred or such disposition, Investment, Restricted Payment, Affiliate Transaction or other applicable transaction is made (so long as such Indebtedness, Lien, disposition, Investment, Restricted Payment, Affiliate Transaction or other applicable transaction at the time incurred or made was permitted hereunder). No Default or Event of Default shall arise as a result of any limitation or threshold set forth in Dollars in Section 7 being exceeded solely as a result of changes in currency exchange rates from those rates applicable on the last day of the fiscal quarter immediately preceding the fiscal quarter in which such determination occurs or in respect of which such determination is being made.

(d) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify with Loyalty Co's prior written consent to appropriately reflect a change in currency of any country and any

relevant market conventions or practices relating to such change in currency.

Section 1.08 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York City time (daylight or standard, as applicable).

Section 1.09 Timing of Payment or Performance. Except as otherwise expressly provided herein, when the payment of any obligation or the performance of any covenant, duty, or obligation is stated to be due or performance required on (or before) a day which is not a Business Day, the date of such payment or performance shall extend to the immediately succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

Section 1.10 Certifications. All certifications to be made hereunder by a Responsible Officer or representative of a Loan Party shall be made by such a Person in his or her capacity solely as a Responsible Officer or a representative of such Loan Party, on such Loan Party's behalf and not in such Person's individual capacity.

Section 1.11 Compliance with Certain Sections. For purposes of determining compliance with Section 6, in the event that any Lien, Investment, Indebtedness (whether at the time of incurrence or upon application of all or a portion of the proceeds thereof), Disposition, Restricted Payment, Affiliate Transaction, contractual requirement, or prepayment of Indebtedness meets the criteria of one, or more than one, of the "baskets" or categories of transactions then permitted pursuant to any clause or subsection of Section 6, such transaction (or portion thereof) at any time shall be permitted under one or more of such clauses at the time of such transaction or any later time from time to time, in each case, as determined by the Borrowers in their sole discretion at such time and thereafter may be reclassified by the Borrowers in any manner not expressly prohibited by this Agreement; provided that Incremental Term Loans and Refinanced Term Loans shall not be reclassified. With respect to (x) any amounts incurred or transactions entered into (or consummated) in reliance on a provision of this Agreement that do not require compliance with a financial ratio or test substantially concurrently with (y) any amounts incurred or transactions entered into (or consummated) in reliance on a provision of this Agreement that require compliance with a financial ratio or test, it is understood and agreed that the amounts in clause (x) shall be disregarded in the calculation of the financial ratio or test applicable to the amounts in clause (y).

Section 1.12 Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to the continuation of, administration of, submission of, calculation of or any other matter related to the Alternate Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Alternate Base Rate, the Term SOFR Reference Rate, Term SOFR, Adjusted Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or

any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Alternate Base Rate, the Term SOFR Reference Rate, Term SOFR, Adjusted Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

SECTION 2.

AMOUNT AND TERMS OF CREDIT

Section 2.01 Commitments of the Lenders; Term Loans.

(a) *Initial Term Loan Commitments*. Each Initial Lender severally, and not jointly with the other Initial Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make a term loan denominated in Dollars (each an "**Initial Term Loan**" and collectively the "**Initial Term Loans**") to the Borrowers on the Closing Date, in an aggregate principal amount not to exceed the Term Loan Commitment for Initial Term Loans of such Initial Lender, which Initial Term Loans, collectively, shall constitute Term Loans for all purposes of the Agreement and shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(a) and subsequently repaid or prepaid may not be reborrowed. Each Initial Lender's Term Loan Commitment for Initial Term Loans shall terminate immediately and without further action on the Closing Date after giving effect to the funding by such Initial Lender of each Initial Term Loan to be made by it on such date.

(b) *Type of Borrowing*. Each Lender at its option may make any Term Loan by causing any domestic or foreign branch, or Affiliate of, such Lender to make such Term Loan; *provided* that any exercise of such option shall not affect the joint and several obligation of the Borrowers to repay such Term Loan in accordance with the terms of this Agreement.

Section 2.02 [Reserved].

Section 2.03 Requests for Loans. Unless otherwise agreed to by the Administrative Agent, to request the Initial Term Loans on the Closing Date, the Borrowers shall notify the Administrative Agent of such request in a written Loan Request signed by the Borrowers not later than 2:00 p.m., one (1) Business Day before the Closing Date. Such written request shall be irrevocable. Such written request shall specify the aggregate amount of such Initial Term Loans.

Section 2.04 Funding of Term Loans. Each Initial Lender shall make each Initial Term Loan to be made by it hereunder on the Closing Date by wire transfer of immediately available funds by 12:00 p.m., or such earlier time as may be reasonably practicable, to the account of the Administrative Agent most recently designated by the Administrative Agent for such purpose by notice to the Lenders. Upon satisfaction or waiver of the conditions precedent specified herein, the

Administrative Agent will make the proceeds of the Initial Term Loans available to Loyalty Co, on behalf of the Borrowers, by promptly crediting such proceeds so received, in like funds, to the Collection Account.

Section 2.05 Co-Borrowers.

(a) Joint and Several Liability. All Obligations of the Borrowers under this Agreement and the other Loan Documents shall be joint and several Obligations of the Borrowers, each as principal. Anything contained in this Agreement and the other Loan Documents to the contrary notwithstanding, the Obligations of each Borrower hereunder, solely to the extent that such Borrower did not receive proceeds of Term Loans from any borrowing hereunder, shall be limited to a maximum aggregate amount equal to the largest amount that would not render its Obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under §548 of the Bankruptcy Code, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to the Obligations of such Borrower (collectively, the "**Fraudulent Transfer Laws**"), in each case after giving effect to all other liabilities of such Borrower, contingent or otherwise, that are relevant under the Fraudulent Transfer Laws (specifically excluding, however, any liabilities of such Borrower in respect of intercompany Indebtedness to any other Loan Party or Affiliates of any other Loan Party to the extent that such Indebtedness would be discharged in an amount equal to the amount paid by such Loan Party hereunder) and after giving effect as assets to the value (as determined under the applicable provisions of the Fraudulent Transfer Laws) of any rights to subrogation or contribution of such Borrower pursuant to (i) applicable law or (ii) any agreement providing for an equitable allocation among such Borrower and other Affiliates of any Loan Party of Obligations arising under guarantees by such parties.

(b) Subrogation. Until the Obligations shall have been paid in full in cash, each Borrower shall withhold exercise of any right of subrogation, contribution or any other right to enforce any remedy which it now has or may hereafter have against the other Borrowers or any other guarantor of the Obligations. Each Borrower further agrees that, to the extent the waiver of its rights of subrogation, contribution and remedies as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any such rights such Borrower may have against the other Borrower, any collateral or security or any such other Loan Party, shall be junior and subordinate to any rights the Agents or the Lenders may have against the other Borrower, any such collateral or security, and any such other Loan Party.

(c) Obligations Absolute. Each Borrower hereby waives, for the benefit of the Secured Parties: (1) any right to require any Secured Parties, as a condition of payment or performance by such Borrower, to (i) proceed against any other Borrower or any other Person, (ii) proceed against or exhaust any security held from any other Borrower, any Guarantor or any other Person, (iii) proceed against or have resort to any balance of any deposit account or credit on the books of any Secured Party in favor of any other Borrower or any other Person, or (iv) pursue any other remedy in the power of any Secured Party whatsoever; (2) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of any other Borrower including any defense based on or arising out of the lack of validity or the unenforceability of the Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of any

other Borrower from any cause other than payment in full of the Obligations; (3) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (4) any defense based upon any Secured Party's errors or omissions in the administration of the Obligations, except behavior which amounts to bad faith, gross negligence or willful misconduct; (5) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Borrower's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Borrower's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments, recharacterization and counterclaims, and (iv) promptness, diligence and any requirement that any Secured Party protect, secure, perfect or insure any security interest or lien or any property subject thereto; (6) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Obligations or any agreement related thereto, notices of any extension of credit to such Borrower and any right to consent to any thereof; (7) any defense based upon any rescission, waiver, compromise, acceleration, amendment or modification of any of the terms or provisions of any of the Loan Documents and (8) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

The obligations of the Borrowers hereunder shall not, to the extent permitted by applicable law, be affected by (i) the failure of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent or a Lender to assert any claim or demand or to enforce any right or remedy against any other Loan Party under the provisions of this Agreement or any other Loan Document or otherwise; (ii) any extension or renewal of any provision hereof or thereof; (iii) any rescission, waiver, compromise, acceleration, amendment or modification of any of the terms or provisions of any of the Loan Documents; (iv) the release, exchange, waiver or foreclosure of any security held by the Master Collateral Agent or the Collateral Administrator for the Obligations or any of them; (v) the failure of the Administrative Agent or a Lender to exercise any right or remedy against any other Loan Party; or (vi) the release or substitution of any Collateral or any other Loan Party.

To the extent permitted by applicable law, each Borrower hereby waives any defense that it might have based on a failure to remain informed of the financial condition of the other Borrower and of any other Loan Party and any circumstances affecting the ability of the Borrowers to perform under this Agreement.

Each Borrower further agrees that its obligations hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by the Administrative Agent, any Lender or any other Secured Party upon the bankruptcy or reorganization of the other Borrower or any Guarantor, or otherwise.

Section 2.06 ~~[Reserved]~~**Alternate Rate of Interest**.

Subject to Section 2.09, in the event, and on each occasion, that on the date

that is two (2) Business Days prior to the commencement of any Interest Period for a SOFR Loan, the Administrative Agent shall have reasonably determined (which determination shall be conclusive and binding upon the Borrowers absent manifest error) that reasonable means do not exist for ascertaining the applicable Adjusted Term SOFR, the Administrative Agent shall, promptly thereafter, give written or facsimile notice of such determination to the Borrower and the Lenders and, until the circumstances giving rise to such notice no longer exist, (i) the Borrowers may revoke any request for a Borrowing of SOFR Loans and, failing that, any request by a Borrower for a Borrowing of SOFR Loans hereunder (including pursuant to a refinancing with SOFR Loans and including any request to continue, or to convert to SOFR Loans) shall be deemed a request for a Borrowing of ABR Term Loans and (ii) any outstanding SOFR Loans hereunder shall be converted to ABR Term Loans at the end of the then current Interest Period.

Section 2.07 Interest on Term Loans.

(a) Subject to the provisions of Section 2.08 and 2.09, each Term Loan shall bear interest (computed using the Day Count Fraction) at a rate per annum equal, during each Interest Period applicable thereto, to ~~**the LIBO Rate**~~**Adjusted Term SOFR** for such Interest Period plus the Applicable Margin (or, if the Alternate Base Rate shall apply instead of ~~**the LIBO Rate**~~**Adjusted Term SOFR** pursuant to Section 2.09, the Alternate Base Rate plus the Applicable Margin).

(b) Accrued interest on all Term Loans shall be payable in arrears on each Payment Date, on the Termination Date and thereafter on written demand and upon any repayment or prepayment thereof (on the amount repaid or prepaid).

Section 2.08 Default Interest. If any Borrower or any Guarantor, as the case may be, shall default in the payment of the principal of or interest on any Term Loan or in the payment of any other amount due hereunder, whether at stated maturity, by acceleration or otherwise, the Borrowers or such Guarantor, as the case may be, shall on written demand of the Administrative Agent from time to time pay interest, to the extent permitted by law, on all overdue amounts up to (but not including) the date of actual payment (after as well as before judgment) at a rate per annum (computed using the Day Count Fraction) equal to (a) with respect to the principal amount of any Term Loan, the rate then applicable for such Borrowings plus 2.0%, and (b) in the case of all other amounts, the Alternate Base Rate plus 2.0%.

Section 2.09 Benchmark Replacement Setting.

(a) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event ~~**or an Early Opt-in Election, as applicable,**~~ and its related Benchmark Replacement Date have occurred prior to ~~**the Reference Time in respect of**~~ any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1~~**) or (2**~~) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any

other party to, this Agreement or any other Loan Document and **the definition of "Adjusted Term SOFR" shall be deemed modified to delete the addition of the Term SOFR Adjustment to Term SOFR for any calculation and** (y) if a Benchmark Replacement is determined in accordance with clause (~~3~~2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. **If the Benchmark Replacement is based upon Daily Simple SOFR, all interest payments will be payable on a quarterly basis.**

(b) **Benchmark Replacement Conforming Changes.** In connection with the **use, administration, adoption or** implementation of a Benchmark Replacement, the Administrative Agent (or with respect to any Non-SOFR Benchmark Replacement, the Administrative Agent with the consent of the Borrowers) will have the right to make Benchmark Replacement Conforming Changes from time to time and, subject to the parenthetical above but notwithstanding ~~any other provision~~**anything** to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) **Notices; Standards for Decisions and Determinations.** The Administrative Agent will promptly notify the ~~Borrowers~~**Borrower** and the Lenders of (i) any occurrence of a Benchmark Transition Event~~ or an Early Opt-in Election, as applicable,~~ and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement,
(iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to ~~clause~~ **Section 2.09**(d) ~~below~~ and (v) the commencement ~~or conclusion~~ of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.09**,** including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.09.

(d) **Unavailability of Tenor of Benchmark.** Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including **the** Term SOFR ~~or USD LIBOR~~**Reference Rate**) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the

regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is no longer representative, then the Administrative Agent may modify the definition of "Interest Period" **(or any similar or analogous definition)** for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is ~~or will no longer be~~**not** representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" **(or any similar or analogous definition)** for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) **Benchmark Unavailability Period.** Upon American's or Loyalty Co's receipt of notice of the commencement of a Benchmark Unavailability Period, (a) ~~American or Loyalty Co~~**a Borrower** may revoke any **pending** request for a **SOFR** Borrowing of ~~Eurodollar Term~~**, conversion to or continuation of SOFR** Loans to be made**, converted or continued** during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or **a** conversion to ABR Term Loans and (b) all calculations of interest by reference to ~~LIBO~~**the Adjusted Term SOFR** Rate hereunder shall instead be made by reference to the Alternate Base Rate.

(f) The Borrowers and the Administrative Agent will cooperate to effect any adoption of a new or replacement Benchmark (and any other modification of the terms of the Loan Documents) as contemplated by this Section 2.09 in a manner that does not result in a deemed exchange of any indebtedness issued in connection with this Agreement pursuant to Section 1001 of the Code.

Section 2.10 Repayment of Term Loans; Evidence of Debt.

(a) The Term Loans, together with all other Obligations (other than contingent obligations not due and owing) shall, in any event, be paid in full in cash no later than the Termination Date.

(b) Subject to Section 7.01, on each Payment Date on which no Event of Default has occurred and is continuing, Available Funds in the Payment Account as of such Payment Date (based upon instructions in the Payment Date Statement furnished to it on the related Determination Date by the Borrowers) shall be distributed by the Collateral Administrator in the following order of priority:

(i) *first*, (x) ratably to (i) to the Master Collateral Agent and Depositary, the amount of Fees, costs, expenses, reimbursements and indemnification amounts due and payable to such Persons on such Payment Date pursuant to the terms of the Loan Documents (which amounts shall be paid from Available Funds and from any amounts transferred to the Payment Account with respect to such Payment Date specifically to pay such amounts so long as Wilmington Trust, National Association shall be serving as the Master Collateral Agent and Depositary) and

(ii) the Collateral Administrator and the Collateral Custodian, the amount of fees, costs, expenses, reimbursements and indemnification amounts due and payable to such Persons on such Payment Date pursuant to the terms of the Loan Documents, provided that the amounts distributed pursuant to this clause (x) shall not exceed the sum of (A) $200,000 in the aggregate per annum *plus* (B) the amount transferred into the Payment Account with respect to clause (x)(i) in such year and *then* (y) ratably to the Administrative Agent, the amount of Fees, costs, expenses, reimbursements and indemnification amounts due and payable on such Payment Date to the Administrative Agent pursuant to the terms of the Loan Documents in an amount not to exceed $200,000 in the aggregate per Payment Date and *then* (z) ratably, the Term Loans' Pro Rata Share of the amount of fees, expenses and other amounts due and owing to any Independent Director of any SPV Party (and any independent director service provider of any such Independent Director) or any government fees, in an amount not to exceed $200,000 in the aggregate per Payment Date, in the case of each of clause (x), (y) and (z), to the extent not otherwise paid or provided for or to the extent such Persons have agreed with the Borrowers for payment at a later date;

(ii) *second*, to the Administrative Agent, on behalf of the Lenders, an amount equal to the Interest Distribution Amounts for all Classes of Term Loans with respect to such Payment Date *minus* the amount of interest paid by the Borrowers on the Term Loans after the immediately preceding Payment Date and prior to such Payment Date;

(iii) *third*, to the Administrative Agent, on behalf of the Lenders, in an amount equal to the Scheduled Principal Amortization Amount due and payable on such Payment Date;

(iv) *fourth*, to the Reserve Account to the extent the amount on deposit in the Reserve Account is less than the Reserve Account Required Balance on such Payment Date, the amount of such shortfall;

(v) *fifth*, to the extent not already paid, to the Administrative Agent, on behalf of the Lenders, as a reduction in the outstanding principal balance of the Term Loans, the amount of any outstanding mandatory prepayments required pursuant to Section 2.12 (including any related Premium due with respect thereto) to be applied in accordance with the terms thereof;

(vi) *sixth*, after the fifth anniversary of the Closing Date, any "AHYDO catchup payments" on the Term Loans;

(vii) *seventh*, any Premium, without duplication of any Premium paid in clause *fifth*, due and unpaid as of such Payment Date;

(viii) *eighth*, to pay (x) ratably to (i) the Collateral Administrator and the Collateral Custodian and (ii) the Depositary and the Master Collateral Agent

(which amounts shall be paid from Available Funds and from any amounts transferred to the Payment Account with respect to such Payment Date specifically to pay such amounts so long as Wilmington Trust, National Association shall be serving as the Master Collateral Agent and Depositary), and *then* (y) to the Administrative Agent, and *then* (z) any other Person (other than American and any of its Subsidiaries (*provided* that any payment to the IP Manager pursuant to the IP Management Agreement shall be permitted pursuant to this clause (viii))), including any Independent Director of any SPV Party (and any independent director service provider of any such Independent Director) and the IP Manager, any additional Obligations due and payable to such Person on such Payment Date, in the case of clause (x), (y) and (z), to the extent not otherwise paid or provided for or to the extent such Persons have agreed with the Borrowers for payment at a later date;

(ix) *ninth*, if an Early Amortization Period was in effect as of the last day of the Related Quarterly Reporting Period, then, to the Administrative Agent on behalf of the Lenders, as a reduction in the outstanding principal balance of the Term Loans, an amount equal to the Early Amortization Payment for such Payment Date;

(x) *tenth*, to the extent any amounts are due and owing under any other Senior Secured Debt, to the Master Collateral Agent for further distribution to the appropriate Person pursuant to the Collateral Agency and Accounts Agreement; and

(xi) *eleventh*, all remaining amounts shall be released to or at the direction of Loyalty Co.

For the avoidance of doubt, to the extent Available Funds with respect to any Payment Date are insufficient to pay amounts due hereunder to the Agents, Lenders or any other Person on such Payment Date, the Borrowers and, to the extent provided in Section 9.01 hereof, the Guarantors, are fully obligated to timely pay such amounts to the Agents, Lenders or other Persons.

(c) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Term Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(d) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Term Loan made hereunder, the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof, which in all circumstances shall be consistent with the Register maintained pursuant to Section 10.02(c). The Borrowers shall have the right, upon reasonable notice, to request information

regarding the accounts referred to in the preceding sentence.

(e) The entries made in the accounts maintained pursuant to paragraph (c) or (d) of this Section 2.10 shall be prima facie evidence (absent manifest error) of the existence and amounts of the obligations recorded therein; *provided* that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Term Loans in accordance with the terms of this Agreement.

(f) Any Lender may request that Term Loans made by it be evidenced by a promissory note. In such event, the Borrowers shall promptly execute and deliver to such Lender a promissory note payable to such Lender and its registered assigns in a form furnished by the Administrative Agent and reasonably acceptable to the Borrowers. Thereafter, the Term Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.02) be represented by one or more promissory notes in such form payable to such payee and its registered assigns.

Section 2.11 [Reserved].

Section 2.12 Mandatory Prepayment of Term Loans.

(a) Within five (5) Business Days of Loyalty Co or any other SPV Party receiving any Net Proceeds from the issuance or incurrence of any Indebtedness of Loyalty Co or any other SPV Party (other than with respect to any Indebtedness permitted to be incurred pursuant to Section 6.02), the Borrowers shall prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of such Net Proceeds.

(b) No later than ten (10) Business Days following the date of receipt by Parent or any of its Subsidiaries of any Net Proceeds in respect of any Recovery Event (in each case, in respect of Collateral) which Net Proceeds, together with the aggregate amount of Net Proceeds previously received from Recovery Events since the later of (x) the date that is 36 months prior to the date of such Recovery Event and (y) the Closing Date, are in excess of $10,000,000 (the "**Threshold Amount**", and all such Net Proceeds in excess of the Threshold Amount, "**Excess Proceeds**"), the Borrowers shall (i) give written notice to the Administrative Agent of such Recovery Event and (ii) offer to prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of such Excess Proceeds (other than any such Excess Proceeds withheld for reinvestment pursuant to the proviso in this clause (b)) no later than the tenth (10th) Business Day following the date of receipt of such Net Proceeds; *provided* that (1) so long as no Event of Default shall have occurred and be continuing at the time of receipt of such Excess Proceeds, the Borrowers shall have the option to (x) invest such Excess Proceeds within 365 days of receipt thereof in Qualified Replacement Assets (or, if a binding commitment for any such investment has been entered into within such 365-day period, within 180 days after the end of such 365-day period) or (y) repair, replace or restore the assets which are the subject of such Recovery Event; and (2) within ten (10) Business Days of the end of such permitted reinvestment period (or earlier if the Borrowers so elect), the Borrowers shall offer to prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of the aggregate amount of such Excess Proceeds

not used in accordance with the preceding subclause (1). Any Lender may elect, by notice to the Administrative Agent at least two Business Days prior to the prepayment date, to decline all (but not less than all) of the prepayment of any Class of its Term Loans pursuant to this Section 2.12(b), in which case the aggregate amount of the prepayment that would have been applied to prepay such Term Loans but was so declined shall be retained by Loyalty Co (or American or such other applicable Subsidiary).

(c) No later than ten (10) Business Days following the date of receipt by Parent or any of its Subsidiaries of any Net Proceeds in respect of (x) any Collateral Sale of AAdvantage Intellectual Property (other than with respect to any Permitted Disposition) or (y) any other Collateral Sale (other than with respect to any Permitted Pre-paid Miles Purchase or Permitted Disposition) which Net Proceeds, together with the aggregate amount of Net Proceeds previously received from Collateral Sales (other than with respect to any Permitted Pre-paid Miles Purchases or Permitted Dispositions) during the fiscal year in which such date occurs, are in excess of $10,000,000 (the "**CS Threshold Amount**", and all such Net Proceeds in excess of the CS Threshold Amount together with all Net Proceeds of any Collateral Sale of AAdvantage Intellectual Property (other than with respect to any Permitted Pre-paid Miles Purchase or Permitted Disposition), "**CS Excess Proceeds**"), the Borrowers shall offer to prepay the Term Loans in an aggregate amount equal to Term Loans' Pro Rata Share of such CS Excess Proceeds no later than the tenth (10th) Business Day following the date of receipt of such CS Excess Proceeds. Any Lender may elect, by notice to the Administrative Agent at least two Business Days prior to the prepayment date, to decline all (but not less than all) of the prepayment of any Class of its Term Loans pursuant to this Section 2.12(c), in which case the aggregate amount of the prepayment that would have been applied to prepay such Term Loans but was so declined shall be retained by Loyalty Co (or Parent or such other applicable Subsidiary). Notwithstanding anything herein to the contrary, no sales of Collateral shall be permitted during the continuance of any Early Amortization Period or Event of Default or if an Early Amortization Event or Event of Default would result therefrom.

(d) Within ten (10) Business Days of Parent or any of its Subsidiaries receiving any Net Proceeds as a result of any Contingent Payment Event which Net Proceeds, together with the aggregate amount of Net Proceeds previously received from Contingent Payment Events since the Closing Date, are in excess of $50,000,000, the Borrowers shall offer to prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of such excess Net Proceeds. Any Lender may elect, by notice to the Administrative Agent at least two Business Days prior to the prepayment date, to decline all (but not less than all) of the prepayment of any Class of its Term Loans pursuant to this Section 2.12(d), in which case the aggregate amount of the prepayment that would have been applied to prepay such Term Loans but was so declined shall be retained by Loyalty Co (or Parent or such other applicable Subsidiary).

(e) Within ten (10) Business Days of Parent or any of its Subsidiaries receiving any Net Proceeds of a Pre-paid Miles Purchase which Net Proceeds, together with the aggregate amount of Net Proceeds previously received from Pre-paid Miles Purchases since the Closing Date, are in excess of $500,000,000, the Borrowers shall prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of such excess Net Proceeds; provided that the

Borrowers shall not be required to make such prepayment so long as the aggregate amount of Net Proceeds received from Pre-Paid Miles Purchases since the Closing Date is less than
$505,000,000.

(f) Within five (5) Business Days following the occurrence of a Parent Change of Control, the Borrowers shall offer to prepay all of each Lender's Term Loans at a purchase price in cash equal to 100% of the aggregate principal amount of the Term Loans prepaid. The repayment date shall be no later than thirty (30) days from the date such offer is made. Any Lender may elect, by notice to the Administrative Agent at least two (2) Business Days prior to the prepayment date, to decline all (but not less than all) of the prepayment of any Class of its Term Loans pursuant to this Section 2.12(f).

(g) Amounts required to be applied to the prepayment of Term Loans pursuant to Section 2.12(a) through (f) shall be applied to prepay on a pro rata basis the remaining scheduled amortization payments of the Term Loans. To the extent that such amounts are not applied on a Payment Date pursuant to Section 2.10(b), the Borrowers shall provide the Administrative Agent (with a copy to the Collateral Administrator) with payment instructions setting forth the applicable amounts and payees in respect thereof. All prepayments under Section 2.12 shall be accompanied (inclusive of all Premiums (if any) owed on account of any such prepayment) by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees (if any) included in, and any losses, costs and expenses, as more fully described in Section 2.15. Term Loans prepaid pursuant to Section 2.12 may not be reborrowed. To the extent that any amounts required to be applied as a prepayment pursuant to this Section 2.12 are on deposit in the Collection Account on any Allocation Date on which an Event of Default is not continuing, the portion of such amount allocated to the Term Loans pursuant to the Collateral Agency and Accounts Agreement shall be applied as Available Funds on the related Payment Date pursuant to Section 2.10(b).

(h) Notwithstanding the foregoing, to the extent that the prepayment of Term Loans pursuant to Section 2.12(b) through (e) arises as a result of Net Proceeds generated by a Subsidiary of Parent (other than an SPV Party) that is not organized in the United States (or a Subsidiary of Parent that is organized in the United States but that is a Subsidiary of an entity (other than an SPV Party) that is not organized in the United States) and the Borrowers reasonably determine (in consultation with the Administrative Agent) that actions reasonably required to use such Net Proceeds to effect a prepayment of Term Loans pursuant to such sections of this Section
2.12 would result in material and adverse Tax consequences to Parent or its Affiliates, then the relevant amounts shall be entitled to be retained by Parent or the applicable Affiliate of Parent and such amounts shall not be required to be used to effect a prepayment of the Term Loans pursuant to this Section 2.12.

Section 2.13 Optional Prepayment of Term Loans.

(a) The Borrowers shall have the right, at any time and from time to time, to prepay any Term Loans, in whole or in part, upon delivery of a written notice of prepayment, substantially in the form of Exhibit J, which notice may be conditional, by facsimile or electronic mail to the Administrative Agent, received by 1:00 p.m., on the date that is three (3) Business Days

prior to the proposed date of prepayment; *provided* that any revocation of such conditional notice occurs within the applicable notice period plus five (5) Business Days; *provided*, *further*, that each such partial prepayment, if any, shall be in an amount not less than $1,000,000 and in integral multiples of $1,000,000 in excess thereof.

(b) Any prepayments under Section 2.13 shall be applied to prepay on a pro rata basis the remaining scheduled amortization payments of the Term Loans. To the extent that such amounts are not applied on a Payment Date pursuant to Section 2.10(b), the Borrowers shall provide the Administrative Agent (with a copy to the Collateral Administrator) with payment instructions setting forth the applicable amounts and payees in respect thereof. All prepayments under Section 2.13 shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees (if any), Premiums (if any), and any losses, costs and expenses, as more fully described in Sections 2.15 hereof. Term Loans prepaid pursuant to Section 2.13 may not be reborrowed.

(c) Each notice of prepayment shall specify the prepayment date, the principal amount of the Term Loans to be prepaid and shall commit the Borrowers to prepay such Term Loan in the amount and on the date stated therein; *provided* that the Borrowers may revoke any notice of prepayment under this Section 2.13 (x) if such prepayment would have resulted from a refinancing of any or all of the Obligations hereunder or the occurrence of another event or condition and such refinancing or event or condition shall not be consummated or shall otherwise be delayed or (y) in accordance with Section 2.13(a) if the notice of prepayment was a conditional notice. The Administrative Agent shall, promptly after receiving notice from the Borrowers hereunder, notify each Lender of the principal amount of the Term Loans held by such Lender which are to be prepaid, the prepayment date and the manner of application of the prepayment.

(d) [Reserved]. Section 2.14 Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement subject to Section 2.14(c)); or

(ii) impose on any Lender ~~or the London interbank market~~ any other condition, cost or expense (other than Taxes) affecting this Agreement or ~~Eurodollar Term~~**SOFR** Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting into, continuing or maintaining any ~~Eurodollar Term~~**SOFR** Loan (or of maintaining its obligation to make any such Term Loan) or to reduce the amount of any sum received or receivable by such Lender hereunder with respect to any ~~Eurodollar Term~~**SOFR** Loan (whether of principal, interest or otherwise), then, upon the request of such Lender, the Borrowers will pay

to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender reasonably determines in good faith that any Change in Law affecting such Lender or such Lender's holding company regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the ~~Eurodollar Term~~SOFR Loan made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrowers will pay to such Lender such additional amount or amounts, in each case as documented by such Lender to the Borrowers as will compensate such Lender or such Lender's holding company for any such reduction suffered; it being understood that this Section 2.14 shall not apply to provide any indemnity or other compensation in respect of (A) Indemnified Taxes, (B) Excluded Taxes described in clause (a)(i) or (b) through (d) of the definition thereof or (C) Connection Income Taxes.

(c) Solely to the extent arising from a Change in Law, the Borrowers shall pay to each Lender (i) as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including ~~Eurodollar~~SOFR funds or deposits, additional interest on the unpaid principal amount of each ~~Eurodollar Term~~SOFR Loan equal to the actual costs of such reserves allocated to such Term Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive in the absence of manifest error) and (ii) as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed in respect of the maintenance of the Term Loan Commitments or the funding of the ~~Eurodollar Term~~SOFR Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Term Loan Commitment or ~~Eurodollar Term~~SOFR Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error) which in each case shall be due and payable on each date on which interest is payable on such Term Loan, *provided* that the Borrowers shall have received at least fifteen (15) days' prior written notice (with a copy to the Administrative Agent, and which notice shall specify the ~~Statutory Reserve Rate~~statutory reserve rate, if any, applicable to such Lender) of such additional interest or cost from such Lender. If a Lender fails to give written notice fifteen (15) days prior to the relevant Payment Date, such additional interest or cost shall be due and payable fifteen (15) days from receipt of such notice.

(d) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section 2.14 and the basis for calculating such amount or amounts shall be delivered to the Borrowers and shall be *prima facie* evidence of the amount due (absent manifest error). The Borrowers shall pay such Lender the amount due within fifteen (15) days after receipt of such certificate.

(e) Failure or delay on the part of any Lender to demand compensation

pursuant to this Section 2.14 shall not constitute a waiver of such Lender's right to demand such compensation; *provided* that the Borrowers shall not be required to compensate a Lender pursuant to this Section 2.14 for any increased costs or reductions incurred more than one hundred eighty (180) days prior to the date that such Lender notifies the Borrowers of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; *provided further* that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof. The protection of this Section 2.14 shall be available to each Lender regardless of any possible contention as to the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.

(f) The Borrowers shall not be required to make payments under this Section 2.14 to any Lender if (A) a claim hereunder arises solely through circumstances peculiar to such Lender and which do not affect commercial banks in the jurisdiction of organization of such Lender generally, (B) the claim arises out of a voluntary relocation by such Lender of its applicable lending office (it being understood that any such relocation effected pursuant to Section 2.18 is not "voluntary"), or (C) such Lender is not seeking similar compensation for such costs to which it is entitled from its borrowers generally in commercial loans of a similar size.

(g) Notwithstanding anything herein to the contrary, regulations, requests, rules, guidelines or directives implemented after the Closing Date pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act or Basel III shall be deemed to be a Change in Law; *provided* that any determination by a Lender of amounts owed pursuant to this Section 2.14 to such Lender due to any such Change in Law shall be made in good faith in a manner generally consistent with such Lender's standard practice.

Section 2.15 Break Funding Payments. In the event of (a) the payment of any principal of any ~~Eurodollar Term~~**SOFR** Loan other than on a Payment Date (including as a result of the occurrence and continuance of an Event of Default), (b) the failure to borrow or prepay any ~~Eurodollar Term~~**SOFR** Loan on the date specified in any notice delivered pursuant hereto (other than with respect to a conditional notice that is revoked in accordance with the terms of this Agreement), or (c) the assignment of any ~~Eurodollar Term~~**SOFR** Loan other than on a Payment Date as a result of a request by the Borrowers pursuant to Section 2.18 or Section 10.08(d), then, in any such event, at the request of such Lender, the Borrowers shall compensate such Lender for the loss, cost and expense sustained by such Lender attributable to such event; *provided* that in no case shall this Section 2.15 apply to any payment pursuant to Section 2.10(b). Such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined in good faith by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Term Loan had such event not occurred, at the applicable rate of interest for such Term Loan (excluding, however the Applicable Margin included therein, if any), for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, for the period that would have been the Interest Period for such Term Loan), over (ii) the amount of interest (as reasonably determined by such Lender) which would accrue on such principal amount for such period at the interest rate which such

Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts (and the basis for requesting such amount or amounts) that such Lender is entitled to receive pursuant to this Section 2.15 shall be delivered to the Borrowers and shall be *prima facie* evidence of the amount due (absent manifest error). The Borrowers shall pay such Lender the amount due within fifteen (15) days after receipt of such certificate.

Section 2.16 Taxes.

(a) Any and all payments by or on account of any Obligation of any Loan Party hereunder or under any other Loan Document shall be made free and clear of and without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Lender or Agent receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) In addition (and without duplication of any payments with respect to Other Taxes pursuant to Section 2.16(a)), the Borrowers, shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Without duplication of amounts payable pursuant to Section 2.16(a) or 2.16(b), the Borrowers shall, jointly and severally, indemnify each Lender or Agent, within 30 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such person or required to be withheld or deducted from a payment to such person and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. After an Agent or a Lender, as the case may be, learns of the imposition of any Indemnified Taxes, such party will act in good faith to notify the Borrowers promptly of its obligation thereunder. A certificate as to the amount of such payment or liability delivered to the Borrowers by a Lender, by the Administrative Agent on its own behalf or on behalf of a Lender, or by the Collateral Administrator or the Master Collateral Agent on its own behalf, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Taxes by the Borrowers to a Governmental Authority pursuant to this Section 2.16, the Borrowers shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment to the extent available, a copy of the return reporting such

payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Each Lender shall, within ten (10) days after written demand therefor, indemnify the Administrative Agent, the Collateral Administrator and the Master Collateral Agent (to the extent the Administrative Agent, the Collateral Administrator or the Master Collateral Agent has not been reimbursed by the Borrowers) for the full amount of any Taxes imposed by any Governmental Authority that are attributable to such Lender and that are payable or paid by the Administrative Agent, the Collateral Administrator or the Master Collateral Agent, together with all interest, penalties, reasonable costs and expenses arising therefrom or with respect thereto, as determined by the Administrative Agent, the Collateral Administrator or the Master Collateral Agent, respectively in good faith. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent, the Collateral Administrator or the Master Collateral Agent, as applicable, shall be conclusive absent manifest error.

(f)

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrowers and the Administrative Agent, at the time or times reasonably requested by the Borrowers or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrowers or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrowers or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrowers or the Administrative Agent as will enable the Borrowers or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (f)(ii)(1), (ii)(2) and (ii)(4) of this Section) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(1) any Lender that is a U.S. Person shall deliver to the Borrowers and the Administrative Agent on or about the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrowers or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(2) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrowers and the Administrative Agent (in such

number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrowers or the Administrative Agent), whichever of the following is applicable

(A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed copies of IRS Form W-8ECI;

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of either Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" related to either Borrower as described in Section 881(c)(3)(C) of the Code (a "**U.S. Tax Compliance Certificate**") and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or

(D) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S.Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner;

(3) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrowers and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date

on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrowers or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrowers or the Administrative Agent to determine the withholding or deduction required to be made;

(4) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrowers and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrowers or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrowers or the Administrative Agent as may be necessary for the Borrowers and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (4), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(g) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Each of the Administrative Agent and the Collateral Administrator shall provide the Borrowers with two (2) properly completed and duly executed originals of, if it is a "United States person" (as defined in Section 7701(a)(30) of the Code), Internal Revenue Service Form W-9 certifying that it is exempt from U.S. federal backup withholding, and, if it is not a United States person, (1) Internal Revenue Service Form W-8ECI with respect to payments to be received by it as a beneficial owner and (2) Internal Revenue Service Form W-8IMY (together with required accompanying documentation) with respect to payments to be received by it on behalf of the Lenders, and shall update such forms periodically upon the reasonable request of the Borrowers.

(i) Each person required to provide Tax forms pursuant to this Section 2.16 agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

Section 2.17 Payments Generally; Pro Rata Treatment.

(a) The Borrowers shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest or fees, or of amounts payable under Section 2.14 or 2.15, or otherwise) prior to 3:00 p.m., on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the reasonable discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 745 7th Avenue, New York New York 10019, pursuant to wire instructions to be provided by the Administrative Agent, except that payments pursuant to Section 10.04 shall be made directly by the Borrowers to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. All payments hereunder shall be made in U.S. Dollars.

(b) [Reserved].

(c) Unless the Administrative Agent shall have received notice from the Borrowers prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(d) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.04, 8.04, 8.07 or 10.04(d), then the Administrative Agent may, in its

discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(e) Pro Rata Treatment.

(i) Each payment by the Borrowers in respect of the Term Loans shall be applied to the amounts of such obligations owing to the Lenders pro rata according to the respective amounts then due and owing to the Lenders.

(ii) Each payment (including each prepayment) by the Borrowers on account of principal of and interest on the Term Loans shall be made to the applicable Class or Classes of Term Loans pro rata according to the respective outstanding principal amounts of the Term Loans then held by the Lenders.

(f) If all or any part of any payment by or on behalf of the Administrative Agent to any Lender or other Secured Party is determined by the Administrative Agent to have been made in error, whether known to the recipient or not, or if such Lender or other Secured Party is not otherwise entitled to receive such payment under the provisions of this Agreement at such time and in such amount from the Administrative Agent as determined by the Administrative Agent (any such payment, an "**Erroneous Payment**"), then the relevant Lender or other Secured Party shall repay to the Administrative Agent forthwith on demand an amount equal to such Erroneous Payment made to such Lender or other Secured Party with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender that fails to return such amounts to the Administrative Agent within one (1) Business Day after receipt of such notice shall be a Defaulting Lender for all purposes under this Agreement. Each Lender and other Secured Party hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or other Secured Party under this Agreement or any other Loan Document against any amount in respect of an Erroneous Payment due from such Lender or other Secured Party, respectively, to the Administrative Agent. Any determination by the Administrative Agent that all or a portion of any payment was an Erroneous Payment shall be conclusive absent manifest error. Each Lender and other Secured Party irrevocably waives any claim of discharge for value and any other claim of entitlement to, or in respect of, any Erroneous Payment.

Section 2.18 Mitigation Obligations; Replacement of Lenders.

(a) If the Borrowers are required to pay any additional amount or indemnification payment to any Lender under Section 2.14 or to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Term Loans hereunder, to assign its rights and obligations hereunder to another of its offices, branches or affiliates, to file any certificate or document reasonably requested by the Borrowers or to take other reasonable measures, if, in the judgment of such Lender, such designation, assignment, filing

or other measures (i) would eliminate or reduce amounts payable pursuant to Section 2.14 or 2.16, as the case may be, and (ii) would not subject such Lender to any unreimbursed cost or expense (other than immaterial costs and expenses) and would not otherwise be materially disadvantageous to such Lender. The Borrowers hereby, jointly and severally, agree to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment. Nothing in this Section 2.18 shall affect or postpone any of the obligations of any Borrower or the rights of any Lender pursuant to Section 2.14 or 2.16.

(b) If, after the date hereof, any Lender requests compensation under Section 2.14 or if the Borrowers are required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, or if any Lender becomes a Defaulting Lender, Non-Extending Lender or Non-Consenting Lender, then the Borrowers may, at their sole expense and effort, upon notice to such Lender and the Administrative Agent, (i) prepay such Lender's outstanding Term Loans (on a non-pro rata basis), or (ii) require such Lender to assign, without recourse (in accordance with and subject to the restrictions contained in Section 10.02), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), in any case as of a Business Day specified in such notice from the Borrowers; *provided* that (i) such terminated or assigning Lender shall have received payment of an amount equal to the outstanding principal of its Term Loans, accrued interest thereon, accrued fees and all other amounts due, owing and payable to it hereunder at the time of such termination or assignment, from the assignee (to the extent of such outstanding principal and accrued interest and fees in the case of an assignment) or the Borrowers (in the case of all other amounts) and (ii) in the case of an assignment due to payments required to be made pursuant to Section 2.16, such assignment will result in a reduction in such compensation or payments.

Section 2.19 Certain Fees. The Borrowers shall, jointly and severally, pay (i) to the Administrative Agent, the Joint Lead Arrangers and Bookrunners and the Joint Bookrunners, the fees to which each is respectively entitled as set forth in the Arrangers Fee Letter, dated as of March 19, 2021, among the Joint Lead Arrangers and Bookrunners, the Joint Bookrunners and American, and the Administrative Agent Fee Letter, dated as of March 24, 2021, among the Administrative Agent and the Borrowers (together, the "**Fee Letter**"), and (ii) to the Collateral Administrator and the Master Collateral Agent the fees set forth in the fee proposal, dated as of February 8, 2021 (the "**Collateral Administrator and Master Collateral Agent Fee Letter**"), among the Collateral Administrator, the Master Collateral Agent and the Borrowers, in each case at the times set forth therein. Other than the amounts to be paid on the Closing Date, all amounts due and owing pursuant to the Fee Letter shall be subject to the payment priorities set forth in Section 2.10(b).

Section 2.20 [Reserved].

Section 2.21 Premium. Upon the occurrence of an Applicable Trigger Event, the Borrowers agree to pay to the Administrative Agent for the benefit of each Lender that holds an applicable Term Loan:

(a) If such Applicable Trigger Event occurs prior to the third anniversary of the Closing Date, the Make-Whole Amount.

(b) If such Applicable Trigger Event occurs on or after the third anniversary of the Closing Date, but prior to the fourth anniversary of the Closing Date, 4.0% of the amount prepaid or repaid (or deemed prepaid or repaid).

(c) If such Applicable Trigger Event occurs on or after the fourth anniversary of the Closing Date, but prior to the fifth anniversary of the Closing Date, 2.0% of the amount prepaid or repaid (or deemed prepaid or repaid).

(d) If such Applicable Trigger Event occurs on or after the fifth anniversary of the Closing Date, 0.0% of the amount prepaid or repaid (or deemed prepaid or repaid).

Any amounts payable in accordance with this Section 2.21 shall be presumed to be equal to the liquidated damages sustained by the Lenders as the result of the occurrence of the Applicable Trigger Event, and the Borrowers agree that it is reasonable under the circumstances currently existing. The Loan Parties expressly agree that (i) the premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel,
(ii) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made, (iii) there has been a course of conduct between Lenders and the Borrowers giving specific consideration in the transaction for such agreement to pay the premium, (iv) the Loan Parties shall be estopped hereafter from claiming differently than as agreed to in this Section 2.21, Section 2.12 and Section 2.13, (v) the agreement to pay the premium is a material inducement to the Lenders to make the Term Loans, and (vi) the premium represents a good faith, reasonable estimate and calculation of the lost profits or damages of the Lenders and that it would be impractical and extremely difficult to ascertain the actual amount of damages to the Lenders or profits lost by the Lenders as a result of such Applicable Trigger Event.

THE PREMIUM IS DEEMED TO CONSTITUTE LIQUIDATED DAMAGES, AND THE PARTIES HERETO (OTHER THAN THE COLLATERAL ADMINISTRATOR) EACH ACKNOWLEDGE AND AGREE THAT SUCH DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE AND THAT THE SETTLEMENT AMOUNT IS INTENDED TO BE A REASONABLE APPROXIMATION OF THE AMOUNT OF SUCH DAMAGES AND NOT A PENALTY.

Section 2.22 Nature of Fees. Except as otherwise specified in the Fee Letter or the Collateral Administrator and Master Collateral Agent Fee Letter, as applicable, all Fees shall be paid on the dates due, in immediately available funds, (a) to the Administrative Agent, as provided herein and in the Fee Letter or (b) to the Collateral Administrator or Master Collateral Agent, as applicable, as provided in the Collateral Administrator and Master Collateral Agent Fee Letter, as applicable. Once paid, none of the Fees shall be refundable under any circumstances.

Section 2.23 Right of Set-Off. Upon the occurrence and during the continuance of any Event of Default pursuant to Section 7.01(b), the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and each Lender (and their

respective banking Affiliates) are hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final but excluding the Escrow Accounts) at any time held and other indebtedness at any time owing by the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and each Lender (or any of such banking Affiliates) to or for the credit or the account of any Loan Party against any and all of any such overdue amounts owing to such Person under the Loan Documents, irrespective of whether or not the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian or such Lender shall have made any demand under any Loan Document; *provided* that in the event that any Defaulting Lender exercises any such right of setoff, (x) all amounts so set off will be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.26(d) and, pending such payment, will be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (y) the Defaulting Lender will provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and the Administrative Agent agree promptly to notify the Loan Parties after any such set-off and application made by such Lender, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian or the Administrative Agent (or any of such banking Affiliates), as the case may be, *provided* that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and the Administrative Agent under this Section 2.23 are in addition to other rights and remedies which such Lender, the Administrative Agent, the Master Collateral Agent, the Collateral Administrator and the Collateral Custodian may have upon the occurrence and during the continuance of any Event of Default.

Section 2.24 Peak Debt Service Coverage Cure. To the extent that Collections received in the Collection Account with respect to any Quarterly Reporting Period are insufficient to satisfy the Peak Debt Service Coverage Ratio Test for such Quarterly Reporting Period (the "**Shortfall Period**"), at any time prior to the related Determination Date the Borrowers may deposit, or cause to be deposited into the Collection Account, funds in an amount necessary to satisfy the Peak Debt Service Coverage Ratio Test for such Shortfall Period (determined as if such deposited funds constitute Collections attributable to such Shortfall Period); *provided* that (x) deposits made pursuant to this Section 2.24 shall not occur more than five times in the aggregate prior to the Term Loan Maturity Date and no more than two times in any 12 month period, (y) any such amounts received in the Collection Account on or prior to the applicable Determination Date in accordance with this Section 2.24 will be treated as Collections for the Shortfall Period for purposes of the Peak Debt Service Coverage Ratio Test and all other purposes and (z) amounts deposited in the Collection Account after such Determination Date shall be treated as Collections for the Quarterly Reporting Period in which such funds were deposited and shall not be included in the Peak Debt Service Coverage Ratio Test for the Shortfall Period (amounts deposited pursuant to this paragraph being, "**Cure Amounts**").

Section 2.25 Payment of Obligations. Subject to the provisions of Section 7.01, upon the

maturity (whether by acceleration or otherwise) of any of the Obligations under this Agreement or any of the other Loan Documents of the Loan Parties, the Lenders shall be entitled to immediate payment of such Obligations.

Section 2.26 Defaulting Lenders.

(a) If at any time any Lender becomes a Defaulting Lender, then the Borrowers may replace such Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 10.02(b) (with the assignment fee to be waived in such instance and subject to any consents required by such Section) all of its rights and obligations under this Agreement to one or more assignees; *provided* that neither the Administrative Agent nor any Lender shall have any obligation to the Borrowers to find a replacement Lender.

(b) Any Lender being replaced pursuant to Section 2.26(a) shall (i) execute and deliver to the Administrative Agent, an Assignment and Acceptance with respect to such Lender's outstanding Term Loan Commitments and Term Loans, and (ii) deliver any documentation evidencing such Term Loans to the Borrowers or the Administrative Agent. Pursuant to such Assignment and Acceptance, (A) the assignee Lender shall acquire all or a portion, as specified by the Borrowers and such assignee, of the assigning Lender's outstanding Term Loan Commitments and Term Loans, (B) all obligations of the Borrowers owing to the assigning Lender relating to the Term Loan Commitments and Term Loans so assigned shall be paid in full by the assignee Lender to such assigning Lender concurrently with such Assignment and Acceptance (including, without limitation, any amounts owed under Section 2.15 due to such replacement occurring on a day other than a Payment Date), and (C) upon such payment and, if so requested by the assignee Lender, delivery to the assignee Lender of the appropriate documentation executed by the Borrowers, the assignee Lender shall become a Lender hereunder and the assigning Lender shall cease to constitute a Lender hereunder with respect to such assigned Term Loan Commitments and Term Loans, except with respect to indemnification provisions under this Agreement, which shall survive as to such assigning Lender; *provided* that an assignment contemplated by this Section 2.26(b) shall become effective notwithstanding the failure by the Lender being replaced to deliver the Assignment and Acceptance contemplated by this Section 2.26(b), so long as the other actions specified in this Section 2.26(b) shall have been taken.

(c) Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law, such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 10.08.

(d) Any amount paid by the Borrowers or otherwise received by the Administrative Agent for the account of a Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will not be paid or distributed to such Defaulting Lender, but shall instead be retained by the Administrative Agent in a segregated account until (subject to Section 2.26(f)) the termination of the Term Loan Commitments and payment in full of all obligations of the Borrowers hereunder and will be applied by the Collateral Administrator, to the fullest extent permitted by law, to the making of

payments from time to time in the following order of priority:

first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent;

second, to the payment of the Default Interest and then current interest due and payable to the Lenders which are Non-Defaulting Lenders hereunder, ratably among them in accordance with the amounts of such interest then due and payable to them,

third, to the payment of fees then due and payable to the Non-Defaulting Lenders hereunder, ratably among them in accordance with the amounts of such fees then due and payable to them,

fourth, to pay principal then due and payable to the Non-Defaulting Lenders hereunder ratably in accordance with the amounts thereof then due and payable to them,

fifth, to the ratable payment of other amounts then due and payable to the Non-Defaulting Lenders, and

sixth, after the termination of the Term Loan Commitments and payment in full of all obligations of the Borrowers hereunder, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

(e) The Borrowers may terminate the unused amount of the Term Loan Commitment of any Lender that is a Defaulting Lender upon not less than five (5) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Non-Defaulting Lenders thereof), and in such event the provisions of Section 2.26(d) will apply to all amounts thereafter paid by the Borrowers for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts), *provided* that (i) no Event of Default shall have occurred and be continuing and (ii) such termination shall not be deemed to be a waiver or release of any claim any Borrower, the Administrative Agent, or any Lender may have against such Defaulting Lender.

(f) If the Borrowers and the Administrative Agent agree in writing that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the Non-Defaulting Lenders, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any amounts then held in the segregated account referred to in Section 2.26(d)), such Lender shall purchase at par such portions of outstanding Term Loans of the other Lenders, and/or make such other adjustments, as the Administrative Agent may determine to be necessary to cause the Lenders to hold Term Loans on a pro rata basis in accordance with their ratable shares, whereupon such Lender shall cease to be a Defaulting Lender and will be a Non-Defaulting Lender; *provided* that no adjustments shall be made retroactively with respect to fees accrued while such Lender was a Defaulting Lender; and *provided, further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender shall constitute a waiver or release of any claim of any party

hereunder arising from such Lender's having been a Defaulting Lender.

(g) Notwithstanding anything to the contrary herein, the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 8.05.

Section 2.27 Incremental Term Loans.

(a) *Borrowers Request*. The Borrowers may, by written notice to the Administrative Agent from time to time, request an increase to the existing Facility or one or more new term loan facilities (the commitments thereunder, the "**Incremental Commitments**" and the Term Loans thereunder, the "**Incremental Term Loans**") in an amount not less than $25,000,000 individually from one or more Incremental Lenders (which may include any existing Lender) willing to provide such Incremental Commitments in their sole discretion; *provided* that each Incremental Lender (which is not an existing Lender) shall be subject to the approval requirements of Section 10.02. Each such notice shall specify (i) the date (each, an "**Increase Effective Date**") on which the Borrowers propose that the proposed Incremental Commitments shall be effective, which shall be a date not less than ten (10) Business Days after the date on which such notice is delivered to the Administrative Agent (or such shorter notice as agreed to by the Administrative Agent) and (ii) the identity of each Eligible Assignee to whom the Borrowers propose any portion of such Incremental Commitments be allocated and the amounts of such allocations (each provider of the Incremental Commitments referred to herein as an "**Incremental Lender**"); *provided* that any existing Lender approached to provide all or a portion of the proposed Incremental Commitments may elect or decline, in its sole discretion, to provide such Incremental Commitment.

(b) *Conditions*. Any new Incremental Commitments shall become effective as of such Increase Effective Date *provided* that:

(i) each of the conditions set forth in Section 4.02 shall be satisfied or waived by the Incremental Lenders on or prior to such Increase Effective Date;

(ii) no Default, Event of Default or Early Amortization Event shall have occurred and be continuing or would immediately result from giving effect to the Incremental Commitments on, or the making of any Incremental Term Loans on, such Increase Effective Date;

(iii) after giving effect to the Borrowing of the applicable Incremental Term Loans on the Increase Effective Date (and assuming such Borrowing on such date in the case of any delayed draw term loan), the aggregate outstanding principal amount of the Priority Lien Debt, giving effect to any reductions of such outstanding amount including as a result of any voluntary prepayments (including those pursuant to debt buybacks made by the Borrowers in an amount equal to the face value of such indebtedness), mandatory prepayments and amortization of Priority Lien Debt prior to such time, shall not (excluding any fees, premiums, costs and other expenses in connection therewith) exceed the Priority Lien Cap;

(iv) the Rating Agency Condition has been satisfied; and

(v) the pro forma Peak Debt Service Coverage Ratio (calculated using the Maximum Quarterly Debt Service of the then existing Term Loans and the Incremental Term Loans) as of the immediately preceding Determination Date, immediately after giving effect to the making of the Incremental Term Loans shall be more than (i) for any date of determination prior to the Determination Date occurring in January 2022, 1.10 to 1.00, (ii) for any date of determination during the period beginning on or after the Determination Date occurring in January 2022 but excluding the Determination Date occurring in January 2023, 1.50 to 1.00, (iii) for any date of determination during the period beginning on or after the Determination Date occurring in January 2023 but excluding the Determination Date occurring in July 2023, 1.75 to 1.00 and (iv) for any date of determination occurring on or after the Determination Date in July 2023, 2.25 to 1.00.

(c) *Terms of Incremental Commitments*. The terms and provisions of Term Loans made pursuant to any Incremental Commitments shall be as follows:

(i) terms and provisions with respect to interest rates, maturity date and amortization schedule of Incremental Term Loans made pursuant to any Incremental Commitments shall be as agreed upon between the Borrowers and the applicable Lenders providing such Incremental Term Loans (it being understood that the Incremental Term Loans may be part of the Initial Term Loans or any other Class of Term Loans);

(ii) the Weighted Average Life to Maturity of any Term Loans made pursuant to Incremental Commitments shall be no shorter than the remaining Weighted Average Life to Maturity of the then-outstanding Term Loans;

(iii) the maturity date for such Incremental Term Loans shall be on or after the Latest Maturity Date;

(iv) to the extent that the terms and provisions of Incremental Term Loans are not identical to an outstanding Class of Term Loans (except to the extent permitted by clauses (i), (ii) and (iii) above), such terms and conditions shall (A) be reasonably acceptable to the Administrative Agent or (B) not be materially more restrictive to the Borrowers (as determined in good faith by the Borrowers), when taken as a whole, than the terms of the then-outstanding Term Loans (except for (1) covenants, events of default and guarantees applicable only to periods after the Latest Maturity Date (as of the date of the incurrence of such Incremental Term Loans) and (2) subject to clause (vi), pricing, fees, rate floors, premiums, optional prepayment or redemption terms) unless the Lenders under the then-outstanding Term Loans receive the benefit of such more restrictive terms; *provided* that in no event shall such Incremental Term Loans be subject to events of default resulting (either directly or through a cross-default or cross-acceleration provision) from the occurrence of any event described in the definition of "Parent Bankruptcy Event"

(or the occurrence of any such event with respect to any Subsidiary of Parent other than any SPV Party) except on the same terms as the then-outstanding Term Loans;

(v) such Incremental Term Loans shall not be subject to any Guarantee by any Person other than a Loan Party and shall not be secured by a Lien on any asset other than any asset constituting Collateral (except to the extent that any additional collateral security is added to the Collateral to secure, and additional guarantees are added for the benefit of, the then-outstanding Term Loans); and

(vi) the All-In Yield applicable to any Incremental Term Loans shall be determined by the Borrowers and the applicable Lenders providing such Incremental Term Loans; *provided* that if the All-In Yield of any such Incremental Term Loans that are incurred prior to the date that is six months after the Closing Date exceeds the All-In Yield on any then-outstanding Term Loans (calculated in the same manner and after giving effect to any amendment to interest rate margins applicable to such outstanding Term Loans after the Closing Date but immediately prior to the time of the making of such Incremental Term Loans) by more than 0.50%, the applicable margins applicable to such outstanding Term Loans shall be increased to the extent necessary so that the yield on such Term Loans is 0.50% less than the All-In Yield on such Incremental Term Loans (it being agreed that any increase in yield to such outstanding Term Loans required due to the application of ~~a LIBO~~**the Term SOFR Reference** Rate or Alternate Base Rate floor on any Incremental Term Loans shall be effected solely through an increase in (or implementation of, as applicable) any ~~LIBO~~**Term SOFR Reference** Rate or Alternate Base Rate floor applicable to such outstanding Term Loans).

The Incremental Commitments shall be effected by a joinder agreement (the "**Increase Joinder**") executed by the Borrowers, the Administrative Agent and each Incremental Lender making such Incremental Commitment, in form and substance satisfactory to each of them; *provided* that if the terms of such Increase Joinder do not require the approval of the Administrative Agent pursuant to any other provision of this Agreement, then the Administrative Agent's consent to the execution of such Increase Joinder will not be unreasonably withheld, conditioned or delayed. The Increase Joinder may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent and the Borrowers, to effect the provisions of this Section 2.27. In addition, unless otherwise specifically provided herein, all references in the Loan Documents to Term Loans shall be deemed, unless the context otherwise requires, to include references to any Term Loans made pursuant to Incremental Commitments and this Agreement.

(d) *Making of New Term Loans*. On any Increase Effective Date on which one or more Incremental Commitments becomes effective, subject to the satisfaction of the foregoing terms and conditions, each Incremental Lender holding such Incremental Commitment shall make an Incremental Term Loan to the Borrowers in an amount equal to its Incremental Commitment.

(e) *Equal and Ratable Benefit*. The Incremental Term Loans and Incremental Commitments established pursuant to this Section 2.27 shall constitute Term Loans and Term

Loan Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents and shall, without limiting the foregoing, benefit equally and ratably from the security interests created by the Collateral Documents.

Section 2.28 Extension of Term Loans.

(a) Notwithstanding anything to the contrary in this Agreement, pursuant to one or more offers (each, a "**Extension Offer**"), made from time to time by the Borrowers to all Lenders holding Term Loans with like maturity date, on a pro rata basis (based on the aggregate Term Loan Commitments with like maturity date) and on the same terms to each such Lender, the Borrowers are hereby permitted to consummate from time to time transactions with individual Lenders that accept the terms contained in any such Extension Offers to extend the scheduled maturity date with respect to all or a portion of any outstanding principal amount of such Lender's Term Loans and otherwise modify the terms of such Term Loans pursuant to the terms of the relevant Extension Offer (including, without limitation, by changing the interest rate or fees payable in respect of such Term Loan Commitments) (each, an "**Extension**", and each group of Term Loans, as so extended, as well as the original Term Loans not so extended, being a "**tranche of Term Loans**", and subject to the last sentence of the definition of "Class" any Extended Term Loan shall constitute a separate tranche of Term Loans from the tranche of Term Loans from which they were converted), so long as the following terms are satisfied or waived:

(i) no Event of Default shall have occurred and be continuing at the time the offering document in respect of an Extension Offer is delivered to the applicable Lenders (the "**Extension Offer Date**");

(ii) except as to interest rates, fees, scheduled amortization payments of principal and final maturity (which shall be as set forth in the relevant Extension Offer), the Term Loan of any Lender that agrees to an Extension with respect to such Term Loan extended pursuant to an Extension Amendment (an "**Extended Term Loan**"), shall be a Term Loan with the same terms as the original Term Loans; *provided* that (1) the permanent repayment of Extended Term Loans after the applicable Extension shall be made on a pro rata basis with all other Term Loans, except that the Borrowers shall be permitted to permanently repay any such tranche of Term Loans on a better than a pro rata basis as compared to any other tranche of Term Loans with a later maturity date than such tranche of Term Loans,
(2) assignments and participations of Extended Term Loans shall be governed by the same assignment and participation provisions applicable to Term Loans, (3) the relevant Extension Amendment may provide for other covenants and terms that apply solely to any period after the Latest Maturity Date that is in effect on the effective date of such Extension Amendment (immediately prior to the establishment of such Extended Term Loans), (4) Extended Term Loans may have call protection as may be agreed by the Borrowers and the applicable Lenders of such Extended Term Loans, (5) no Extended Term Loans may be optionally prepaid prior to the date on which all Term Loans with an earlier Term Loan Maturity Date are repaid in full, unless such optional prepayment is accompanied by a pro rata optional prepayment of such other Term Loans and (6) at no time shall there be

Term Loans hereunder (including Extended Term Loans and any original Term Loans) which have more than five different maturity dates;

(iii) all documentation in respect of such Extension shall be consistent with the foregoing;

(iv) the Borrowers may amend, revoke or replace an Extension Offer at any time prior to the date on which Lenders under the tranche of Term Loans are requested to respond to the offer; and

(v) any applicable Minimum Extension Condition shall be satisfied unless waived by the Borrowers.

For the avoidance of doubt, no Lender shall be obligated to accept any Extension Offer.

(b) [Reserved].

(c) With respect to all Extensions consummated by the Borrowers pursuant to this Section 2.28, (i) such Extensions shall not constitute voluntary or mandatory payments or prepayments for purposes of Section 2.12 or Section 2.13 and (ii) each Extension Offer shall specify the minimum amount of Term Loans to be tendered, which shall be a minimum amount reasonably approved by the Administrative Agent (a "**Minimum Extension Condition**"). The Administrative Agent and the Lenders hereby consent to the transactions contemplated by this Section 2.28 (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Term Loans on such terms as may be set forth in the relevant Extension Offer) and hereby waive the requirements of any provision of this Agreement (including, without limitation, Sections 2.12, 2.17 and 8.08) or any other Loan Document that may otherwise prohibit any such Extension or any other transaction contemplated by this Section 2.28.

(d) The consent of the Administrative Agent shall not be required to effectuate any Extension. No consent of any Lender shall be required to effectuate any Extension, other than the consent of each Lender agreeing to such Extension with respect to one or more of its Term Loans (or a portion thereof), as applicable. All Extended Term Loans and all obligations in respect thereof shall be Obligations under this Agreement and the other Loan Documents that are secured by the Collateral on a *pari passu* basis with all other applicable Obligations under this Agreement and the other Loan Documents. The Lenders hereby irrevocably authorize the Administrative Agent to enter into amendments to this Agreement and the other Loan Documents (each, an "**Extension Amendment**") with the Borrowers as may be necessary in order to establish new tranches or sub-tranches or Classes in respect of Term Loans so extended and such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrowers in connection with the establishment of such new tranches or sub-tranches or Classes, in each case on terms consistent with this Section 2.28.

(e) In connection with any Extension, the Borrowers shall provide the Administrative Agent at least five (5) Business Days (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and shall agree to such procedures

(including, without limitation, regarding timing, rounding and other adjustments and to ensure reasonable administrative management of the credit facilities hereunder after such Extension), if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Section 2.28.

SECTION 3.

REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to make Term Loans hereunder, each Loan Party jointly and severally represents and warrants as follows:

Section 3.01 Organization and Authority. Each of the Loan Parties (a) is duly organized or incorporated, validly existing and in good standing (to the extent such concept is applicable in the applicable jurisdiction) under the laws of the jurisdiction of its organization or incorporation and is duly qualified and in good standing in each other jurisdiction in which the failure to so qualify would have a Material Adverse Effect and (b) has the requisite corporate or limited liability company power and authority under the laws of the jurisdiction of its organization or incorporation to effect the Transactions, to own or lease and operate its properties and to conduct its business as now or currently proposed to be conducted.

Section 3.02 Air Carrier Status. As of the date hereof, American is an "air carrier" within the meaning of Section 40102 of Title 49 and holds a certificate under Section 41102 of Title 49. American holds or co-holds an air carrier operating certificate issued pursuant to Chapter 447 of Title 49. American is a "citizen of the United States" as defined in Section 40102(a)(15) of Title 49 and as that statutory provision has been interpreted by the DOT pursuant to its policies (a "**United States Citizen**"). American possesses or co-possesses all necessary certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents of any Governmental Authority which relate to the operation of the routes flown by it and the conduct of its business and operations as currently conducted except where failure to so possess would not, individually or in the aggregate, have a Material Adverse Effect.

Section 3.03 Due Execution. The execution, delivery and performance by each of the Loan Parties of each of the Transaction Documents to which it is a party:

(a) are within the respective corporate, company or limited liability company powers of such Loan Party, have been duly authorized by all necessary corporate, company or limited liability company action, including the consent of shareholders or members where required, and do not (i) contravene the charter, memorandum and articles of association, by-laws or limited liability company agreement (or equivalent documentation) of such Loan Party, (ii) violate any applicable law (including, without limitation, the Exchange Act) or regulation (including, without limitation, Regulations T, U or X of the Board), or any order or decree of any court or Governmental Authority, other than violations by a Loan Party which would not reasonably be expected to have a Material Adverse Effect, (iii) conflict with or result in a breach of, or constitute a default under, any material indenture, mortgage or deed of trust or any material

lease, agreement or other instrument binding on a Loan Party or any of their properties, which, in the aggregate, would reasonably be expected to have a Material Adverse Effect or (iv) result in or require the creation or imposition of any Lien (other than Permitted Liens) upon any of the property of any of the Loan Parties other than the Liens granted pursuant to this Agreement or the other Loan Documents; and

(b) do not require the consent, authorization by or approval of or notice to or filing or registration with any Governmental Authority or any other Person, other than (i) the filing of financing statements under the UCC, (ii) such as may be required in order to perfect and register the security interests and liens purported to be created by the Collateral Documents (including appropriate filings with the U.S. Patent and Trademark Office), (iii) approvals, consents and exemptions that have been obtained on or prior to the Closing Date and remain in full force and effect, (iv) consents, approvals and exemptions that the failure to obtain in the aggregate would not be reasonably expected to result in a Material Adverse Effect and (v) routine reporting obligations. Each Transaction Document to which a Loan Party is a party has been duly executed and delivered by such Loan Party. This Agreement and the other Transaction Documents to which any Loan Party is a party, when delivered hereunder or thereunder, will be a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.04 Statements Made.

(a) The written information furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the negotiation of this Agreement (as modified or supplemented by other written information so furnished), together with the Annual Report on Form 10 K for 2020 of Parent and American filed with the SEC and all Quarterly Reports on Form 10-Q or Current Reports on Form 8-K that have been filed after December 31, 2020, by Parent or American with the SEC (as amended), taken as a whole as of the Closing Date did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein not materially misleading in light of the circumstances in which such information was provided; *provided* that, with respect to projections, estimates or other forward looking information the Loan Parties represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time that such forward-looking information was prepared.

(b) The Annual Report on Form 10-K of Parent and American most recently filed with the SEC, and each Quarterly Report on Form 10-Q and Current Report on Form 8-K of Parent or American filed with the SEC subsequently and prior to the date that this representation and warranty is being made, did not as of the date filed with the SEC (giving effect to any amendments thereof made prior to the date that this representation and warranty is being made) contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not materially misleading.

Section 3.05 Financial Statements; Material Adverse Change.

(a) The audited consolidated financial statements of Parent and its Subsidiaries for the fiscal year ended December 31, 2020, included in Parent's Annual Report on Form 10-K for 2020 filed with the SEC, present fairly, in all material respects, in accordance with GAAP, the financial condition, results of operations and cash flows of Parent and its Subsidiaries on a consolidated basis as of such date and for such period (except that any unaudited consolidated financial statements are subject to normal year-end audit adjustments and the absence of footnotes).

(b) Except as disclosed in Parent's Annual Report on Form 10 K for 2020 or any subsequent report filed by Parent on Form 10 Q or Form 8 K with the SEC, since December 31, 2020, there has been no Material Adverse Change.

Section 3.06 Ownership of Subsidiaries. As of the Closing Date, other than as set forth on Schedule 3.06, (a) each of the Persons listed on Schedule 3.06 is a wholly owned, direct or indirect Subsidiary of Parent and (b) Parent owns no other Subsidiaries (other than Immaterial Subsidiaries), whether directly or indirectly.

Section 3.07 Liens. There are no Liens of any nature whatsoever on any Collateral except for Permitted Liens.

Section 3.08 Use of Proceeds. The proceeds of the Term Loans received on the Closing Date shall be used (a) to fund the Reserve Account, (b) to make the American Intercompany Loan (the proceeds of which may be used by American for any general corporate purposes), and (c) to pay transaction costs, fees and expenses as contemplated hereby and as referred to in Section 2.19.

Section 3.09 Litigation and Compliance with Laws.

(a) Except as disclosed in Parent's Annual Report on Form 10-K for 2020 or any subsequent report filed by Parent on Form 10-Q or Form 8-K with the SEC since December 31, 2020, there are no actions, suits, proceedings or investigations pending or, to the knowledge of the Loan Parties, threatened against any Loan Party or any of their respective properties (including any properties or assets that constitute Collateral under the terms of the Loan Documents), before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that (i) are likely to have a Material Adverse Effect or (ii) could reasonably be expected to affect the legality, validity, binding effect or enforceability of the Loan Documents, the IP Agreements, the Intercompany Agreement or the AAdvantage Agreements or, in any material respect, the rights and remedies of the Secured Parties under the Loan Documents or in connection with the Transactions.

(b) Except with respect to any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, each Loan Party to its knowledge is currently in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities, in respect of the conduct of its business and ownership of its property.

Section 3.10 [Reserved].

Section 3.11 [Reserved].

Section 3.12 Margin Regulations; Investment Company Act.

(a) No Loan Party is engaged, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board, "**Margin Stock**"), or extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Term Loans will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock in violation of Regulation U.

(b) No Loan Party is, or immediately after the making of the Term Loans will be, or is required to be, registered as an "investment company" under the 40 Act.

Section 3.13 [Reserved].

Section 3.14 Ownership of Collateral~~(a)~~.

(a) Each Grantor has good title, leasehold, license or rights to use, all Collateral (other than Intellectual Property and data, which is addressed below in clause (b)) owned or purported to be owned by it that is material to the conduct of the business of such Grantor, in each case free and clear of all Liens other than Permitted Liens.

(b) Except for Intellectual Property and data that is not material, individually or in the aggregate, to the conduct of the business of Loyalty Co or the AAdvantage Program, Loyalty Co has good title to all Intellectual Property and data that is Collateral owned or purported to be owned by it, in each case free and clear of all Liens other than Permitted Liens, subject to the filing of assignments at the applicable intellectual property office for Intellectual Property contributed directly or indirectly to Loyalty Co pursuant to the Contribution Agreements.

Section 3.15 Perfected Security Interests. The Collateral Documents, taken as a whole, are effective to create in favor of the Master Collateral Agent or the Collateral Administrator, as applicable, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in all of the Collateral to the extent purported to be created thereby, subject as to enforceability to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. With respect to the Collateral as of the Closing Date, at such time as (a) financing statements in appropriate form are filed in the appropriate offices (and the appropriate fees are paid), (b) the execution of Account Control Agreements, and
(c) the appropriate filings with the United States Patent and Trademark Office are made, the Master Collateral Agent, for the benefit of the Secured Parties, shall have a first priority perfected security interest and/or mortgage (or comparable Lien) in all of such Collateral to the extent that the Liens on such Collateral may be perfected upon the filings, registrations or recordations or upon the taking of the actions described in clauses (a), (b) and (c) above, subject in each case only

to Permitted Liens, and such security interest is entitled to the benefits, rights and protections afforded under the Collateral Documents applicable thereto (subject to the qualification set forth in the first sentence of this Section 3.15).

Section 3.16 Payment of Taxes. Each Loan Party has timely filed or caused to be filed all Tax returns and reports required to have been filed by it through the date hereof, except for such exceptions as would not individually or collectively result in a Material Adverse Effect, and has paid or caused to be paid when due all Taxes required to have been paid by it, except such Taxes as are being contested in good faith by appropriate proceedings or as would not, individually or collectively result in a Material Adverse Effect.

Section 3.17 Anti-Corruption Laws and Sanctions; OFAC; Compliance with Anti-Money Laundering Laws.

(a) None of the Loan Parties or any of their respective subsidiaries, nor, to the knowledge of any Loan Party, any director, officer, employee or agent acting on behalf of any Loan Party or any of their respective subsidiaries has materially violated in the past five years or is in material violation of (i) laws relating to the use of any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (ii) laws relating to direct or indirect unlawful payments to any foreign or domestic government official or employee from corporate funds, (iii) the Foreign Corrupt Practices Act of 1977, as amended, or the rules and regulations thereunder or (iv) laws relating to bribes, rebates, payoffs, influence payments, kickbacks or other unlawful payments. Each Loan Party has implemented compliance programs for purposes of (A) informing the appropriate officers and employees of such Loan Party and their respective subsidiaries of the Loan Parties' policies to reasonably ensure compliance with the laws described under (i) through (iv) above, and (B) requiring such officers and employees to report to the Loan Parties any knowledge they may have of violations of the Loan Parties' policies referred to above. No Loan Party will directly or indirectly use the proceeds of any Borrowing hereunder, or lend, contribute or otherwise make available such proceeds to any of its subsidiaries or joint venture partners or any other person or entity, for any purpose in breach of any laws described in clause (i) – (iv) above.

(b) None of the Loan Parties or any of their respective subsidiaries or, to the knowledge of any Loan Party, any director, officer, agent, employee, affiliate or other person acting on behalf of any Loan Party or any of their respective subsidiaries is currently the subject of any U.S. sanctions administered by the U.S. federal government (including the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**")); and no Loan Party will directly or knowingly indirectly use the proceeds of any Borrowing hereunder, or lend, contribute or otherwise make available such proceeds to any of its subsidiaries or joint venture partners or any other person or entity, for the purpose of financing the activities of any person currently the subject of any U.S. sanctions administered by the U.S. federal government (including OFAC) in a manner that would constitute or give rise to a violation of any sanctions by any party hereto.

(c) The operations of each Loan Party and their respective subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act of 1970 (31

U.S.C. 5311 et seq.), as amended by Title III of the Patriot Act, and the applicable anti-money laundering statutes of jurisdictions where the Loan Parties and their respective subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the any Loan Party or any of their respective subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of any Loan Party, threatened.

Section 3.18 Schedule of the AAdvantage Agreements; Sole Intercompany Agreement. Schedule 3.18 sets forth the name of each AAdvantage Agreement and each Material AAdvantage Agreement as of the Closing Date. After giving effect to any agreements, licenses or sublicenses terminated or cancelled on the Closing Date, other than the Intercompany Agreement, the American Intercompany Note, the Deeds of Undertaking, the IP Management Agreement and the IP Agreements provided to the Administrative Agent prior to the Closing Date, no Loan Party is party to any material agreement, license or sublicense with any other Loan Party governing the AAdvantage Program.

Section 3.19 Representations Regarding the AAdvantage Agreements. With respect to each AAdvantage Agreement as of the Closing Date and on the date that an agreement is designated as a "AAdvantage Agreement" on Schedule 3.18 (solely in respect of such AAdvantage Agreement) pursuant to Section 5.17(j):

(a) (i) each Loan Party that is a party to such AAdvantage Agreement had full legal capacity to execute and deliver such AAdvantage Agreement and (ii) (x) such AAdvantage Agreement is in full force and effect and constitutes the legal, valid and binding obligation of the applicable Loan Party enforceable against such Loan Party in accordance with its terms, subject to usual and customary bankruptcy, insolvency and equity limitations and (y) such AAdvantage Agreement is not subject to, or the subject of any assertions in respect of, any material litigation, dispute or offset of the applicable Loan Party or its Subsidiaries;

(b) to the knowledge of the Loan Parties, (i) no default by any party thereto exists and (ii) no party thereto is delinquent in payment of any other amounts required to be paid thereunder, in each case, that would reasonably be expected to result in a Material Adverse Effect;

(c) such AAdvantage Agreement complies with, and will not violate, any applicable law except as would not reasonably be expected to result in a Material Adverse Effect;

(d) except as disclosed to the Administrative Agent, such AAdvantage Agreements permit the Loan Parties to grant a security interest therein granted to the Master Collateral Agent pursuant to the Collateral Documents; and

(e) as of the Closing Date, the Collateral includes American's rights to receive payments under Material AAdvantage Agreements (other than the Intercompany Agreement).

Section 3.20 Compliance with IP Agreements. Each Loan Party is in compliance in all

material respects with the terms and conditions of each IP Agreement to which it is a party as of the Closing Date.

Section 3.21 Solvency. As of the Closing Date, immediately after giving effect to the Borrowings on the Closing Date and the payment of all costs and expenses in connection therewith, the Loan Parties (taken as a whole) are Solvent.

Section 3.22 Intellectual Property.

(a) Except as would not be reasonably expected to result in a Material Adverse Effect, Parent and its Subsidiaries have taken commercially reasonable measures to protect the confidentiality of the AAdvantage Customer Data and all Trade Secrets of American and its Subsidiaries included in the AAdvantage Intellectual Property (and any material Trade Secrets owned by any Person to whom any Loan Party or any of its Subsidiaries has a confidentiality obligation with respect to the AAdvantage Program), as determined in their commercially reasonable business judgment. No material portion of the AAdvantage Customer Data, and no such material Trade Secrets have been disclosed by Parent or its Subsidiaries to any Person other than (i) pursuant to a written agreement restricting the disclosure and use thereof or (ii) AAdvantage Customer Data disclosed to members in the ordinary course of operating the AAdvantage Program. Except as would not be reasonably expected to result in a Material Adverse Effect, no current or former employee, contractor or consultant of Parent or its Subsidiaries or their Affiliates has any right, title or interest in or to any AAdvantage Intellectual Property. All Persons (including any current or former employees, contractors or consultants) who have developed, created, conceived or reduced to practice any material AAdvantage Intellectual Property for Parent or any of its Subsidiaries have assigned all right, title and interest in and to all such AAdvantage Intellectual Property pursuant to a valid and enforceable written contract or by operation of law.

(b) Following the contribution on the Closing Date of the AAdvantage Intellectual Property by American, directly or indirectly, to Loyalty Co pursuant to the Contribution Agreements, Parent and each of its Subsidiaries (other than Loyalty Co) would not be able to operate the AAdvantage Program in a manner materially consistent with the operation of the AAdvantage Program on the Closing Date, or any other similar airline loyalty program (other than a Permitted Acquisition Loyalty Program or Specified Minority Owned Program), without the rights granted to American with respect to such Intellectual Property under the IP Licenses.

Section 3.23 Privacy and Data Security.

(a) Except as would not be reasonably expected to result in a Material Adverse Effect, each applicable Loan Party maintains commercially reasonable privacy and data security policies. Except as would not be reasonably expected to result in a Material Adverse Effect, during the five (5) year period preceding the date hereof, each applicable Loan Party and each of its Subsidiaries and each of its Third Party Processors have been and, as of the date hereof, is in compliance with (i) all applicable internal privacy policies and privacy policies contained on any websites maintained by or on behalf of each such Loan Party or such Subsidiary, and such policies are consistent with the actual practices of such entity, (ii) all applicable Data Protection Laws with respect to Personal Data, including Data Protection Laws anywhere in the United States, the State

of California, the Cayman Islands, the United Kingdom and the European Union and (iii) its contractual commitments and obligations regarding Personal Data.

(b) Except as would not be reasonably expected to result in a Material Adverse Effect, the consummation of the transactions contemplated by this Agreement will not cause any Loan Party to be in violation or breach of any policy of any Loan Party, law of the United States or European Union or contractual agreement to which any Loan Party is a party, in each case with respect to Personal Data.

SECTION 4.

CONDITIONS OF LENDING

Section 4.01 Conditions Precedent to Closing. This Agreement shall become effective on the date on which the following conditions precedent shall have been satisfied (or waived by the Lenders in accordance with Section 10.08 and by the Administrative Agent), subject in all respects to Section 4.03:

(a) *Supporting Documents*. The Administrative Agent shall have received with respect to the Loan Parties in form and substance reasonably satisfactory to the Administrative Agent:

(i) to the extent available in the applicable jurisdiction, (x) a certificate of the Secretary of State of the state of such entity's incorporation or formation (other than in respect of any entity incorporated in the Cayman Islands), dated as of a recent date, as to the good standing of that entity and (y) a certificate of good standing issued by the Registrar of Companies dated as of a recent date in respect of each Loan Party incorporated, registered or formed in the Cayman Islands;

(ii) a certificate of the Secretary or an Assistant Secretary (or similar officer), of such entity dated the Closing Date and certifying (A) that attached thereto is a true and complete copy of the certificate of incorporation, registration or formation and the memorandum and articles of association, by-laws or limited liability company or other operating agreement (as the case may be) (or equivalent constitutional documents) of that entity as in effect on the date of such certification,
(B) that attached thereto is a true and complete copy of resolutions adopted by the board of directors, board of managers or members (or similar managing body) of that entity authorizing the Borrowings hereunder, the execution, delivery and performance in accordance with their respective terms of this Agreement, the other Loan Documents and any other documents required or contemplated hereunder or thereunder, and the granting of the Liens contemplated hereby or the other Loan Documents (in each case to the extent applicable to such entity), (C) that the certificate of incorporation, registration or formation (or equivalent constitutional documents) of that entity has not been amended since the date of the last amendment thereto indicated on the certificate of the Secretary of State furnished pursuant to clause (i) above (if applicable), and (D) as to the incumbency and specimen

signature of each officer of that entity executing this Agreement and the Loan Documents or any other document delivered by it in connection herewith or therewith (such certificate to contain a certification by another officer or similar authorized person of that entity as to the incumbency and signature of the officer signing the certificate referred to in this clause (ii)); and

(iii) an Officer's Certificate from the Borrowers certifying (A) as to the accuracy in all material respects of the representations and warranties of all of the Loan Parties set forth in the Loan Documents as though made on the Closing Date, except to the extent that any such representation or warranty relates to a specified date, in which case as of such date (provided that any representation or warranty that is qualified by materiality (it being understood that any representation or warranty that excludes circumstances that would not result in a "Material Adverse Change" or "Material Adverse Effect" shall not be considered (for purposes of this proviso) to be qualified by materiality) shall be true and correct in all respects as of the applicable date, immediately after giving effect to the Transactions) and (B) as to the absence of any Early Amortization Event or an Event of Default occurring and continuing on the Closing Date immediately after giving effect to the Transactions.

(b) *Term Loan Credit Agreement*. Each party hereto (including each Borrower and each Guarantor) shall have duly executed and delivered to the Administrative Agent this Agreement.

(c) *Security Agreements*. The Loan Parties shall have duly executed and delivered to the Administrative Agent the Security Agreement, the American Security Agreement, each Cayman Share Mortgage in relation to shares in Loyalty Co, HoldCo 1 and HoldCo 2, and each of the IP Security Agreements, in each case in form and substance reasonably acceptable to the Administrative Agent and all financing statements reasonably requested by the Administrative Agent, in form and substance reasonably acceptable to the Administrative Agent and required to grant an enforceable security interest in the applicable Collateral (subject to the terms hereof and of the other Loan Documents) in accordance with the UCC as enacted in all relevant jurisdictions, together with certificates, if any, representing the pledged Equity Interests accompanied by undated stock powers executed in blank to the extent required by the Security Agreement or the American Security Agreement.

(d) *Collateral Agency and Accounts Agreement*. The Borrowers, the Collateral Administrator, the Depositary and the Master Collateral Agent shall have executed the Collateral Agency and Accounts Agreement.

(e) *Opinions of Counsel*. The Administrative Agent, the Collateral Administrator and the Master Collateral Agent shall have received each of the following, dated as of the Closing Date, and in form and substance reasonably satisfactory to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent:

(i) a customary written opinion of Latham & Watkins LLP, special New York counsel to the Loan Parties, including a true contribution opinion and a

non-conflict with certain contractual obligations opinion;

(ii) a customary written opinion of Morrison & Foerster LLP, special New York counsel to the Loan Parties, including a non-conflict with respect to the Material AAdvantage Agreements (other than the Intercompany Agreement) opinion;

(iii) a customary written opinion of Pillsbury Winthrop Shaw & Pittman LLP, special regulatory counsel to the Loan Parties;

(iv) a customary written opinion of Walkers, special Cayman Islands counsel to the Secured Parties, including as to non-consolidation of Loyalty Co,
HoldCo 1, HoldCo 2 and American; and

(v) a customary written opinion of Maples and Calder, special Cayman Islands counsel to the Loan Parties.

(f) *Account Control Agreements*. The Administrative Agent shall have received a fully executed copy of the Account Control Agreement with respect to the Payment Account and the Reserve Account.

(g) *Payment of Fees and Expenses*. The Borrowers shall have paid to the Agents, the Joint Lead Arrangers and Bookrunners and the Lenders the then unpaid balance of all accrued and unpaid Fees due, owing and payable under and pursuant to this Agreement, as referred to in Sections 2.19, and all reasonable and documented out-of-pocket expenses of the Administrative Agent (including reasonable attorneys' fees of Milbank LLP and Walkers) and the Collateral Administrator, the Collateral Custodian, the Master Collateral Agent and the Depositary (including reasonable attorneys' fees of Seward & Kissel LLP) for which invoices have been presented at least two (2) Business Days prior to the Closing Date, or the Borrowers shall have authorized that such fees and expenses be deducted from the proceeds of the initial funding under the Term Loans.

(h) *Lien Searches*. The Administrative Agent shall have received copies of (UCC, tax and judgment lien searches, in each case as of a recent date that name American, Loyalty Co and the other SPV Parties (under their current and any previous names used within the last five years) and in such offices and the states (or other jurisdictions) of formation of such Persons or in which the chief executive office of each such Person is located together with copies of the financing statements (or similar documents) disclosed by such search, in each case, accompanied by evidence reasonably satisfactory to the Administrative Agent that the Liens indicated in any such financing statement (or similar document) are in respect of a Permitted Lien.

(i) *[Reserved]*.

(j) *Representations and Warranties*. All representations and warranties of the Loan Parties contained in this Agreement and the other Loan Documents executed and delivered on the date hereof or on the Closing Date shall be true and correct in all material respects on and as

of the Closing Date, immediately after giving effect to the Transactions, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case as of such specified date); *provided* that any representation or warranty that is qualified by materiality (it being understood that any representation or warranty that excludes circumstances that would not result in a "Material Adverse Change" or "Material Adverse Effect" shall not be considered (for purposes of this proviso) to be qualified by materiality) shall be true and correct in all respects, as though made on and as of the applicable date, immediately after giving effect to the Transactions.

(k) *No Early Amortization Event or Event of Default*. Immediately after giving effect to the Transactions, no Early Amortization Event or Event of Default shall have occurred and be continuing on the Closing Date.

(l) *Patriot Act*. The Lenders shall have received at least three (3) days prior to the Closing Date all documentation and other information, including a Beneficial Ownership Certification, required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act, in each case that such Lenders shall have reasonably requested from any Loan Party in writing at least ten (10) days prior to the Closing Date.

(m) *Solvency Certificate*. The Administrative Agent shall have received a certificate of the chief financial officer or treasurer (or other comparable officer) of American certifying that as of the Closing Date, immediately after giving effect to the Borrowings on the Closing Date, the Loan Parties (taken as a whole) are Solvent.

(n) *Direction of Payment*. American shall provide confirmation that a Direction of Payment has been delivered to a sufficient number of counterparties under AAdvantage Agreements to cause at least 90% of the AAdvantage Revenues to be directly deposited into the Collection Account.

(o) *Contribution Agreements*. American shall provide copies of executed agreements evidencing the transfer to Loyalty Co of (i) all of American's, HoldCo 1's and HoldCo 2's rights, title and interest in and to the AAdvantage Intellectual Property that it owns or purports to own (excluding the Composite Marks, the Specified Intellectual Property and the Madrid IP except as expressly provided in the Contribution Agreements), (ii) all of American's, HoldCo 1's and HoldCo 2's rights to establish, create, organize, initiate, participate, operate, assist, benefit from, promote or otherwise be involved in or associated with, in any capacity, the AAdvantage Program or any other customer loyalty miles program or any similar customer loyalty program (other than with respect to a Specified Minority Owned Program or a Permitted Acquisition Loyalty Program), and (iii) all of the Assigned AAdvantage Agreement Rights, in each case, pursuant to Contribution Agreements in form and substance reasonably satisfactory to the Administrative Agent.

(p) *Other Transaction Documents*. The Administrative Agent shall have received a copy of each other Transaction Document required to be delivered on the Closing Date duly executed and delivered by each of the parties thereto.

(q) *Ratings*. The Loan Parties shall have obtained ratings for the Initial Term Loans from two (2) Rating Agencies (which Rating Agencies are acceptable to the Joint Lead Arrangers and Bookrunners in their reasonable discretion).

(r) *No Going Concern Qualification.* The opinion of the independent public accountants (after giving effect to any reissuance or revision of such opinion) on the audited consolidated financial statements of Parent and its Subsidiaries for the fiscal year ended December 31, 2020, included in Parent's Annual Report on Form 10-K for 2020 filed with the SEC, shall not include a "going concern" qualification under GAAP.

(s) *Notice*. The Administrative Agent shall have received a Loan Request pursuant to Section 2.03 with respect to such Borrowing.

The execution by each Lender of this Agreement shall be deemed to be confirmation by such Lender that any condition relating to such Lender's satisfaction or reasonable satisfaction with any documentation set forth in this Section 4.01 has been satisfied as to such Lender.

Section 4.02 Conditions Precedent to Each Loan. The obligation of the Lenders to make any Term Loans after the Closing Date is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) *Notice*. The Administrative Agent shall have received a Loan Request pursuant to Section 2.03 with respect to such Borrowing.

(b) *Representations and Warranties*. All representations and warranties of the Loan Parties contained in this Agreement and the other Loan Documents to which it is a party shall be true and correct in all material respects on and as of the date such Term Loan is made, immediately before and after giving effect to Borrowing of such Term Loan, as though made on and as of such date (except to the extent any such representation or warranty expressly relate to a specified date, in which case as of such specified date); *provided* that any representation or warranty that is qualified by materiality (it being understood that any representation or warranty that excludes circumstances that would not result in a "Material Adverse Change" or "Material Adverse Effect" shall not be considered (for purposes of this proviso) to be qualified by materiality) shall be true and correct in all respects, as though made on and as of the applicable date, immediately before and after giving effect to Borrowing of such Term Loan.

(c) *No Early Amortization Event or Event of Default*. Immediately before and after giving effect to the Borrowing of such Term Loan on a pro forma basis, no Early Amortization Event or Event of Default shall have occurred and be continuing on the date such Term Loan is made.

(d) *No Going Concern Qualification*. On the date of such Borrowing, the opinion of the independent public accountants (after giving effect to any reissuance or revision of such opinion) on the most recent audited consolidated financial statements delivered by Parent pursuant to Section 5.01(a) shall not include a "going concern" qualification under GAAP as in effect on the date of this Agreement or, if there is a change in the relevant provisions of GAAP

thereafter, any like qualification or exception under GAAP after giving effect to such change.

The acceptance by the Borrowers of each extension of credit hereunder shall be deemed to be a representation and warranty by the Borrowers that the conditions specified in Section 4.02 have been satisfied at that time.

Section 4.03 Conditions Subsequent.

(a) Any assignment, pursuant to a Contribution Agreement, of AAdvantage Intellectual Property registered in the United States shall be filed in the applicable intellectual property office on or before the date that is thirty (30) days after the Closing Date (as extendable automatically for not more than thirty (30) days without further consent to the extent the Borrowers are diligently pursuing satisfaction of the terms hereof, but such completion has been delayed as a result of the COVID-19 pandemic or other similar events and conditions (e.g., natural disaster), which are outside the control of the Borrowers); provided that such period may be extended to a later date as the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) may agree. Any assignment, pursuant to a Contribution Agreement, of AAdvantage Intellectual Property registered outside the United States shall be filed in the applicable intellectual property office on or before the date that is one hundred and eighty (180) days after the Closing Date (as extended automatically without further consent to the extent the Borrowers are diligently pursuing satisfaction of the terms hereof, but such completion has been delayed as a result of applicable law or the COVID-19 pandemic or other similar events and conditions (e.g., natural disaster), which are outside the control of the Borrowers); provided that such period may be extended to a later date as the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) may agree.

(b) On or before the date that is six (6) months after the Closing Date (or such later date as agreed by the Master Collateral Agent (acting at the direction of the Collateral Controlling Party)), American shall segregate, compile and host, and thereafter American shall maintain, current and future AAdvantage Customer Data in a database (the "**AAdvantage Customer Database**") separate from the database containing any data owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by Parent or any of its Subsidiaries (other than the AAdvantage Customer Data); provided that American is not required to segregate or remove copies of American Traveler Related Data contained in the AAdvantage Customer Database but copies of any such American Traveler Related Data contained in the AAdvantage Customer Database shall be subject to the Lien granted under the Collateral Documents over the AAdvantage Customer Database and American shall not have access to the AAdvantage Customer Database (including the copies of American Traveler Related Data contained therein) upon the termination of the licenses granted under any IP License (excluding the Madrid IP License). The proviso in the immediately preceding sentence shall not restrict or limit American's rights with respect to American Traveler Related Data maintained on any database that is not the AAdvantage Customer Database. As between the parties, it is American's responsibility to maintain a separate version of the American Traveler Related Data, but a failure by American to do so shall not be deemed a breach of this Agreement. The AAdvantage Customer Database shall be property of Loyalty Co and subject to the Lien granted under the Collateral Documents.

(c) [Reserved].

(d) Within one hundred and twenty (120) days after the Closing Date (as extended automatically for not more than sixty (60) days without further consent to the extent the Borrowers are diligently pursuing satisfaction of the terms hereof, but such completion has been delayed as a result of events and conditions (e.g., natural disaster, pandemic) outside the control of the Borrowers; provided that such period may be extended to a later date as the Administrative Agent in its sole discretion may agree), the Loan Parties shall enter into a series of transactions that will result in, among other things: (i) pursuant to a series of Contribution Agreements, the transfer of the rights in the Madrid IP to an entity to be organized in Luxembourg as a wholly-owned subsidiary of American ("**Madrid IP Lux Holdco**"), (ii) the assignment by American, as licensor, of the Madrid IP License to Madrid IP Lux Holdco, (iii) the contribution of the equity of Madrid IP Lux Holdco to an entity to be organized in Luxembourg as a wholly-owned subsidiary of American ("**Madrid IP Lux Holdco 2**"), resulting in Madrid IP Lux Holdco becoming a wholly-owned subsidiary of Madrid IP Lux Holdco 2 and (iv) the contribution of the equity of Madrid IP Lux Holdco 2 to Loyalty Co, resulting in Madrid IP Lux Holdco 2 becoming a wholly-owned subsidiary of Loyalty Co (the "**Madrid Protocol Holding Structure**"). For the avoidance of doubt, all transfers of the Madrid IP and the assignment of the Madrid IP License as described above shall be subject to Permitted Liens.

Notwithstanding the foregoing or any provision herein or in any Transaction Document to the contrary, if, (a) at any time after the Closing Date, a Loan Party determines in its reasonable judgment that due to applicable law or a change in law (including, for the avoidance of doubt, any legislative or regulatory action or decision by any administrative or judicial body responsible for the administration of Taxes) implementation or maintenance of the Madrid Protocol Holding Structure has resulted or will result in any Loan Party or any of its Subsidiaries incurring any material tax detriment (determined after taking into account the ability to utilize any foreign tax credit within the same tax year) that such Loan Party (or such Subsidiary) would not have incurred had the Madrid Protocol Holding Structure not been in place; and (b) American and the Administrative Agent reasonably conclude that there is another structure for holding the Madrid IP in a bankruptcy remote special purpose entity that is, or will contemporaneously with the effectiveness of the contemplated transactions become, a subsidiary of Loyalty Co ("**Alternative Madrid SPV**") that would eliminate the material tax detriment described in the foregoing clause (a) without the incurrence of material costs, then upon notice to the Administrative Agent that the Madrid Protocol Holding Structure cannot be implemented or is required to be unwound for the foregoing reasons, the Loan Parties and their applicable Subsidiaries shall implement an alternative structure for the ownership and licensing of the Madrid IP (the "**Alternative Madrid Structure**") in which, if applicable, the Madrid Protocol Holding Structure will be unwound and that will result in: (A) pursuant to existing or newly executed Contribution Agreements that are substantially similar to those existing on the Closing Date, the transfer of the Madrid IP and the Madrid IP License to Alternative Madrid SPV and (B) the filing of corresponding national trademark registrations in each Madrid Protocol Contracting State or Organization originally designated in each of International Registration Nos. 1240856, 1330760, 1321874 and 1321705 registered with the World Intellectual Property Organization; and if there is no feasible Alternative Madrid Structure that would eliminate the material tax detriment described

in the foregoing clause (a), then (X) the Madrid IP and the Madrid IP License would be re-assigned to American as licensor and Loyalty Co would remain as licensee (the "**Default Structure**"); and (Y) corresponding national trademark registrations in each Madrid Protocol Contracting State or Organization originally designated in each of International Registration Nos. 1240856, 1330760, 1321874 and 1321705 registered with the World Intellectual Property Organization will be filed; *provided* that the Loan Parties shall exercise commercially reasonable efforts to take such actions to implement such Alternative Madrid Structure or Default Structure, as applicable, that are within the control of the Loan Parties within one hundred and eighty (180) days of providing such notice to the Administrative Agent (as extended automatically for not more than sixty (60) days without further consent to the extent the Borrowers are diligently pursuing satisfaction of the terms hereof, but such completion has been delayed as a result of events and conditions (e.g., natural disaster, pandemic) outside the control of the Borrowers); and provided further, that that such period may be extended to a later date as the Administrative Agent in its sole discretion may agree. The actions taken by the Loan Parties to consummate the Madrid Protocol Holding Structure or the Alternative Madrid Structure, or if applicable the reversion to the Default Structure, consistent with this Section 4.03(d) shall be permitted under this Agreement and the other Loan Documents and, notwithstanding anything to the contrary in this Agreement or any other Loan Document, shall not constitute a violation of any other provision of this Agreement or any other Loan Document. Upon the request of the Administrative Agent, the Loan Parties shall provide the Administrative Agent information about the actions being taken by the Loan Parties to implement the Madrid Protocol Holding Structure or the Alternative Madrid Structure, or the reversion to the Default Structure, and such other information as the Administrative Agent shall reasonably request to be able to monitor compliance with this Section 4.03(d). If the Madrid Protocol Holding Structure is implemented, the Loan Parties will cause any registrations of AAdvantage Intellectual Property under the Madrid System of the World Intellectual Property Organization after the Closing Date to be filed in the name of Madrid IP Lux Holdco (provided that no Loan Party has any obligation to file any such registrations). If the Alternative Madrid Structure is implemented, the Loan Parties will cause any registrations of AAdvantage Intellectual Property under the Madrid System of the World Intellectual Property Organization after the Closing Date to be filed in the name of Alternative Madrid SPV (provided that no Loan Party has any obligation to file any such registrations). Unless and until the Madrid Protocol Holding Structure or the Alternative Madrid Structure is implemented, the Loan Parties may only file registrations for AAdvantage Intellectual Property under the Madrid System of the World Intellectual Property Organization in the Ordinary Course of Business. Any registrations for AAdvantage Intellectual Property filed by the Loan Parties under the Madrid System of the World Intellectual Property Organization after the Closing Date will be added to the Madrid IP.

SECTION 5.

AFFIRMATIVE COVENANTS

From the date hereof and for so long as the Term Loan Commitments remain in effect, the principal of or interest on any Term Loan is owing (or any other amount that is due and unpaid on the first date that none of the foregoing is in effect, outstanding or owing, respectively, is owing) to any Lender or the Administrative Agent hereunder:

Section 5.01 Financial Statements, Reports, Etc. The Borrowers shall deliver to the Administrative Agent on behalf of the Lenders:

(a) Within (i) ninety (90) days after the end of each fiscal year, Parent's consolidated balance sheet and related statement of income and cash flows, showing the financial condition of Parent and its Subsidiaries on a consolidated basis as of the close of such fiscal year and the results of their respective operations during such year, such consolidated financial statements of Parent to be audited for Parent by independent public accountants of recognized national standing and to be accompanied by an opinion of such accountants (which opinion shall be unqualified as to scope of such audit) to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of Parent and its Subsidiaries on a consolidated basis in accordance with GAAP; *provided* that the foregoing delivery requirement shall be satisfied if Parent shall have filed with the SEC its Annual Report on Form 10-K for such fiscal year, which is available to the public via EDGAR or any similar successor system and (ii) one hundred eighty (180) days after the end of the fiscal year ending December 31, 2021, and within one hundred twenty (120) days after the end of each fiscal year thereafter, HoldCo 1's consolidated balance sheet and related statement of income and cash flows, showing the financial condition of HoldCo 1 and its Subsidiaries on a consolidated basis as of the close of such fiscal year and the results of their respective operations during such year, such consolidated financial statements of HoldCo 1 to be audited for HoldCo 1 by independent public accountants of recognized national standing and to be accompanied by an opinion of such accountants (which opinion shall be unqualified as to scope of such audit) to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of HoldCo 1 and its Subsidiaries on a consolidated basis in accordance with GAAP;

(b) Within (i) forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year, Parent's consolidated balance sheets and related statements of income and cash flows, showing the financial condition of Parent and its Subsidiaries on a consolidated basis as of the close of such fiscal quarter and the results of their operations during such fiscal quarter and the then-elapsed portion of the fiscal year, each certified by a Responsible Officer of Parent as fairly presenting in all material respects the financial condition and results of operations of Parent and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes; *provided* that the foregoing delivery requirement shall be satisfied if Parent shall have filed with the SEC its Quarterly Report on Form 10-Q for such fiscal quarter, which is available to the public via EDGAR or any similar successor system and (ii) ninety (90) days after the end of the fiscal quarter ending June 30, 2021 and thereafter within sixty (60) days after the end of each of the first three fiscal quarters of each fiscal year, HoldCo 1's consolidated balance sheets and related statements of income and cash flows, showing the financial condition of HoldCo 1 and its Subsidiaries on a consolidated basis as of the close of such fiscal quarter and the results of their operations during such fiscal quarter and the then-elapsed portion of the fiscal year, each certified by a Responsible Officer of HoldCo 1 as fairly presenting in all material respects the financial condition and results of operations of HoldCo 1 and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes;

(c) Within the time period under Section 5.01(a) above with respect to Parent, a certificate of a Responsible Officer of American certifying that, to the knowledge of such Responsible Officer, no Early Amortization Event or Event of Default has occurred and is continuing, or, if, to the knowledge of such Responsible Officer, such an Early Amortization Event or Event of Default has occurred and is continuing, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto;

(d) On or prior to each Determination Date with respect to each Related Quarterly Reporting Period, an Officer's Certificate demonstrating in reasonable detail compliance with (i) Section 6.08 as of the last day of the Related Quarterly Reporting Period and (ii) the Peak Debt Service Coverage Ratio Test as of the last day of the Related Quarterly Reporting Period;

(e) No later than each Determination Date with respect to each Related Quarterly Reporting Period, a certificate of a Responsible Officer of American, (i) setting forth the name of each new AAdvantage Agreement entered into as of such date and each of the parties thereto, (ii) certifying compliance with deposit requirements with respect to such AAdvantage Agreements and (iii) certifying that Transaction Revenues representing 90% of all AAdvantage Revenues for such Quarterly Reporting Period were deposited directly into the Collection Account;

(f) Promptly after the occurrence thereof, written notice of the termination of a Plan of Parent or an ERISA Affiliate pursuant to Section 4042 of ERISA to the extent such termination would constitute an Event of Default;

(g) So long as any Term Loan Commitment or Term Loan is outstanding, promptly upon knowledge thereof by a Responsible Officer of a Borrower, notice in writing of any Default, Early Amortization Event or Event of Default and what action Loyalty Co, American, Parent and its Subsidiaries are taking or propose to take with respect thereto (with a copy to the Collateral Administrator and the Master Collateral Agent);

(h) Promptly after a Responsible Officer of Parent or a Borrower obtains knowledge thereof, written notice of the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting Parent or any of its Subsidiaries that would reasonably be expected to result in a Material Adverse Effect;

(i) Subject to any confidentiality restrictions under binding agreements or limitations imposed by applicable law, a notice (which will be posted on a password protected website to which the Administrative Agent will have access to such notice (or which will otherwise be delivered to the Administrative Agent, including, without limitation, by electronic mail)) with respect to the occurrence of: (i) any material amendment, restatement, supplement, waiver or other material modification to any Material AAdvantage Agreement (with such notice posted or delivered, as applicable, promptly but in each case within thirty (30) days of the effectiveness of such material amendment, restatement, supplement, waiver or other material modification) and (ii) any termination, cancellation or expiration of a Material AAdvantage Agreement (with such notice posted or delivered, as applicable, as soon as reasonably practicable

after such termination, cancellation or expiration); and

(j) On each Determination Date, deliver a Payment Date Statement to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent. The Administrative Agent may, prior to the related Payment Date, provide notice to the Borrowers, the Collateral Administrator and the Master Collateral Agent of any information contained in the Payment Date Statement that the Administrative Agent believes to be incorrect. If the Administrative Agent provides such a notice, the Borrowers shall use their reasonable efforts to resolve the discrepancy and provide an updated Payment Date Statement on or prior to the related Payment Date. If the discrepancy is not resolved and a replacement Payment Date Statement is not received by the Collateral Administrator prior to the payment of Available Funds on the related Payment Date pursuant to Section 2.10(b), and it is later determined that the information identified by the Administrative Agent as incorrect was in fact incorrect and such error resulted in a party receiving a smaller distribution on the Payment Date than they would have received had there not been such an error, then the Borrowers shall indemnify such party for such shortfall. For the avoidance of doubt and, notwithstanding anything to the contrary herein or in any other Loan Document, the Collateral Administrator and the Administrative Agent shall have no obligation to inquire into, investigate, verify or perform any calculations in connection with a Payment Date Statement or, in the case of the Collateral Administrator, notice from the Administrative Agent in respect of the same; it being understood and agreed that the Administrative Agent and the Collateral Administrator shall be entitled to conclusively rely, and shall not be liable for so relying, on the Payment Date Statement last received by it on or prior to each Payment Date and the Administrative Agent and the Collateral Administrator shall have no obligation, responsibility or liability in connection with any indemnification payment of the Borrowers pursuant to the immediately preceding sentence.

Any certificate to be delivered under this Section 5.01 may, at any Borrower's option, be combined with any other certificate to be delivered under this Section 5.01 within the same time period.

In no event shall the Administrative Agent be entitled to inspect, receive and make copies of materials, (i) except in connection with any enforcement or exercise of remedies, (A) that constitute non-registered AAdvantage Intellectual Property, non-financial Trade Secrets (including the AAdvantage Customer Data) or non-financial proprietary information, or (B) in respect of which disclosure to the Administrative Agent, the Collateral Administrator or any Lender (or their respective representatives or contractors) is prohibited by law or any binding agreement (or would otherwise cause a breach or default thereunder) (including, but not limited to, copies of any AAdvantage Agreements or any information thereof) or (ii) that are subject to attorney client or similar privilege or constitute attorney work product or constitute Excluded Intellectual Property or an AAdvantage Agreement. The Borrowers agree to provide copies of any notices or any deliverables given or received under the Collateral Agency and Accounts Agreement to the Administrative Agent, including any notice or deliverable required to be provided to the Senior Secured Debt Representatives.

Subject to the next succeeding sentence, information delivered pursuant to this Section 5.01 to the Administrative Agent may be made available by the Administrative Agent to

the Lenders by posting such information on the Syndtrak website on the Internet at http://syndtrak.com. Information required to be delivered pursuant to this Section 5.01 by any Loan Party shall be delivered pursuant to Section 10.01 hereto. Information required to be delivered pursuant to this Section 5.01 (to the extent not made available as set forth above) shall be deemed to have been delivered to the Administrative Agent on the date on which Loyalty Co provides written notice to the Administrative Agent that such information has been posted on American's general commercial website on the Internet (to the extent such information has been posted or is available as described in such notice), as such website may be specified by Loyalty Co to the Administrative Agent from time to time. Information required to be delivered pursuant to this Section 5.01 shall be in a format which is suitable for transmission.

Any notice or other communication delivered pursuant to this Section 5.01, or otherwise pursuant to this Agreement, shall be deemed to contain material non-public information unless (i) expressly marked by a Loan Party as "PUBLIC", (ii) such notice or communication consists of copies of any Loan Party's public filings with the SEC or (iii) such notice or communication has been posted on American's general commercial website on the Internet, as such website may be specified by Loyalty Co to the Administrative Agent from time to time.

Delivery of reports, information and documents to the Collateral Administrator is for informational purposes only, and its receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including any Loan Party's or any other Person's compliance with any of its covenants under this Agreement or any other Loan Document. The Collateral Administrator shall have no liability or responsibility for the content, filing or timeliness of any report or other information delivered, filed or posted under or in connection with this Agreement, the other Loan Documents or the transactions contemplated hereunder or thereunder. For the avoidance of doubt, the Collateral Administrator shall have no duty to monitor or access any website of a Loan Party or any other Person referenced herein, shall not have any duty to monitor, determine or inquire as to compliance or performance by any Loan Party or any other Person of its obligations under this Section 5.01 or otherwise and the Collateral Administrator shall not be responsible or liable for any Loan Party's or any other Person's non-performance or non-compliance with such obligations.

Section 5.02 Taxes. Each Loan Party shall pay, and shall cause each of its Subsidiaries to pay, all material taxes, assessments and governmental levies imposed or assessed on any of them or any of their assets before the same shall become more than 90 days delinquent, other than taxes, assessments and levies (i) being contested in good faith by appropriate proceedings or (ii) the failure to effect such payment of which are not reasonably be expected to have, individually or collectively, a Material Adverse Effect.

Section 5.03 [Reserved].

Section 5.04 Corporate Existence. Each Loan Party shall do or cause to be done all things reasonably necessary to preserve and keep in full force and effect:

(a) its corporate existence, and the corporate, partnership or other existence of

each of its Restricted Subsidiaries, in accordance with the respective organizational and/or constitutional documents (as the same may be amended from time to time) of such Loan Party or any such Restricted Subsidiary; and

(b) the rights (charter and statutory) and material franchises of each Loan Party and its Restricted Subsidiaries; *provided* that no Loan Party shall be required to preserve any such right or franchise, or the corporate, partnership or other existence of such Loan Party (other than an SPV Party) or any of its Restricted Subsidiaries (other than an SPV Party), if a Responsible Officer of American or Parent shall, in such officer's reasonable judgment, determine that the preservation thereof is no longer desirable in the conduct of the business of Parent and its Subsidiaries, taken as a whole, and that the loss thereof would not, individually or in the aggregate, have a Material Adverse Effect.

For the avoidance of doubt, this Section 5.04 shall not prohibit any actions permitted by Section 6.04 or Section 6.10(b).

Section 5.05 Compliance with Laws. Each Loan Party shall comply, and cause each of its Restricted Subsidiaries to comply, with all applicable laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, except where such noncompliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 5.06 Designation of Restricted and Unrestricted Subsidiaries.

(a) Parent may designate any Restricted Subsidiary of it (other than any Borrower or SPV Party) to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by Parent and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation. That designation will be permitted only if the Investment would be permitted at that time under Section 6.01 and if the Restricted Subsidiary otherwise meets the definition of an "Unrestricted Subsidiary." Parent may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

(b) Parent may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of Parent; provided that such designation will be permitted only if no Default or Event of Default would be in existence following such designation.

(c) In connection with the designation of an Unrestricted Subsidiary as provided in Section 5.06(a), (x) such designated Unrestricted Subsidiary shall be released from its Guarantee of the Obligations and (y) any Liens on such designated Unrestricted Subsidiary and any of the Collateral of such designated Unrestricted Subsidiary shall be released.

Section 5.07 Contribution of AAdvantage Intellectual Property. American shall contribute Intellectual Property and data to Loyalty Co pursuant to the Contribution Agreements from time to time so that at all times Parent and its Subsidiaries (other than Loyalty Co) would not

be able to operate the AAdvantage Program in a manner materially consistent with the operation of the AAdvantage Program at such time, or any other similar airline loyalty program (other than a Permitted Acquisition Loyalty Program or Specified Minority Owned Program), without the rights granted to American with respect to such Intellectual Property under the IP Licenses; provided that, for the avoidance of doubt, American shall not be required to so contribute any Airlines Business Intellectual Property or sublicense any Intellectual Property owned by any non-Affiliate third party.

Section 5.08 Special Purpose Entity. Other than as required or permitted by the Transaction Documents or the AAdvantage Agreements, the SPV Parties have not and shall not:

(a) engage in any business or activity other than (i) the purchase, receipt, management and sale of Collateral and Excluded Property; *provided* that in no event shall any SPV Party purchase, receive, manage or sell real property, (ii) the transfer and pledge of Collateral pursuant to the terms of the Collateral Documents and the Priority Lien Debt Documents and the Junior Lien Debt Documents, (iii) the entry into and the performance under the Transaction Documents and AAdvantage Agreements to which it is a party and the Priority Lien Debt Documents and Junior Lien Debt Documents and (iv) such other activities as are incidental to the foregoing clauses (i) through (iii);

(b) acquire or own any material assets other than (i) the Collateral and Excluded Property; *provided* that in no event shall any SPV Party acquire or own real property, or
(ii) incidental property as may be necessary or desirable for the operation of any SPV Party and the performance of its obligations under the Transaction Documents and AAdvantage Agreements to which it is a party and the Priority Lien Debt Documents and the Junior Lien Debt Documents;

(c) except as permitted by this Agreement (i) merge into or consolidate with any Person or dissolve, terminate or liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets, or (ii) change its legal structure, or jurisdiction of incorporation, unless, in connection with any of the foregoing, such action shall result in the substantially contemporaneous occurrence of the Discharge of Senior Secured Debt Obligations;

(d) except as otherwise permitted under Section 5.08(c), fail to preserve its existence as an entity duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation;

(e) form, acquire or own any Subsidiary, own any Equity Interests in any other entity, or make any Investment in any Person other than to the extent permitted in its memorandum and articles of association and the Loan Documents (it being understood that each SPV Party shall only be permitted to form and thereafter own one or more Subsidiaries that are each SPV Parties or will become SPV Parties upon satisfaction of the requirements set forth in clauses (4), (5) and (6) of the proviso in the definition of "Permitted Loyalty Subsidiary" within the time periods set forth in Section 5.17(l));

(f) except as contemplated in the Senior Secured Debt Documents, commingle its assets with the assets of any of its Affiliates, or of any other Person;

(g) incur any Indebtedness other than (i) Indebtedness to the Secured Parties hereunder or in conjunction with a repayment of all or a portion of the Term Loans owed to the Lenders and a termination of all the Term Loan Commitments, (ii) any other Priority Lien Debt,
(iii) any Junior Lien Debt and (iv) ordinary course contingent obligations under or any terms thereof related to the AAdvantage Agreements (such as customary indemnities to fronting banks, administrative agents, collateral agents, depository banks, escrow agents, etc.);

(h) become insolvent or fail to pay its debts and liabilities from its assets as the same shall become due in the ordinary course of business;

(i) fail to maintain its records, books of account and bank accounts separate and apart from those of any other Person;

(j) enter into any contract or agreement with any Person, except (i) the Transaction Documents to which it is a party and the Priority Lien Debt Documents and the Junior Lien Debt Documents, (ii) organizational documents, (iii) AAdvantage Agreements or other co-branding, partnering or similar agreements, (iv) agreements between any SPV Party and American and/or its Subsidiaries substantially consistent with American's arrangements with its other Subsidiaries that (I) terminate upon such SPV Party ceasing to be a Subsidiary of American,
(II) do not involve the payment of cash to or from such SPV Party, (III) are entered into for the primary purpose of managing the transfer and processing of data among the parties thereto and
(IV) contain non-petition and nonrecourse covenants with respect to such SPV Party consistent with the provisions set forth in this Agreement, (v) intercompany loans from Loyalty Co to American permitted under Section 6.01, or (vi) other contracts or agreements that (x) are upon terms and conditions that are commercially reasonable and substantially similar to those that would be available on an arm's length basis with third parties other than such Person, (y) contain non-petition covenants with respect to such SPV Party consistent with the provisions set forth in this Agreement and (z) contain nonrecourse covenants with respect to such SPV Party consistent with the provisions set forth in this Agreement;

(k) seek its dissolution or winding up in whole or in part;

(l) fail to use commercially reasonable efforts to correct promptly any material known misunderstandings regarding the separate identities of any SPV Party, on the one hand, and any Affiliate or any principal thereof or any other Person, on the other hand;

(m) except pursuant to the Transaction Documents and AAdvantage Agreements, the Priority Lien Debt Documents and the Junior Lien Debt Documents, guarantee, become obligated for, or hold itself out to be responsible for the Indebtedness of another Person;

(n) fail, in any material respect, either to hold itself out to the public as a legal entity separate and distinct from any other Person or to conduct its business, solely in its own name in order not (i) to mislead others as to the identity of the Person with which such other party is transacting business, or (ii) to suggest that it is responsible for the Indebtedness of any third party (including any of its principals or Affiliates (other than as contemplated or required pursuant to the Transaction Documents or AAdvantage Agreements));

(o) fail, to the extent of its own funds (taking into account the requirements in the Transaction Documents and AAdvantage Agreements), to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations;

(p) [reserved];

(q) fail to maintain separate financial statements, showing its assets and liabilities separate and apart from those of any other Person and not have its assets listed on any financial statement of any other Person; *provided, however,* that the SPV Parties' assets may be included in a consolidated financial statement of its Affiliates so long as (i) appropriate notation shall be made on such consolidated financial statements to indicate the separateness of the SPV Parties from such Person and to indicate that the SPV Parties' assets and credit are not available to satisfy the Indebtedness and other obligations of such Person or any other Person except for Indebtedness incurred and other obligations pursuant to the Loan Documents, the Priority Lien Debt Documents and the Junior Lien Debt Documents and (ii) such assets shall also be listed on the SPV Parties' own separate balance sheet (in each case, subject to clause (y) below);

(r) fail to pay its own separate liabilities and expenses only out of its own funds (other than as contemplated under any Director Services Agreement);

(s) maintain, hire or employ any individuals as employees; *provided* that the SPV Parties are not prohibited or limited in any manner from having directors and officers;

(t) acquire the obligations or securities issued by its Affiliates or members (other than (i) any equity interests of another SPV Party that is a Subsidiary of such SPV Party, (ii) Madrid SPV or in connection with implementation of the Madrid Protocol Holding Structure or an Alternative Madrid Structure or (iii) intercompany loans permitted under Section 6.01);

(u) fail to allocate fairly and reasonably any overhead expenses that are shared with an Affiliate, including paying for office space and services performed by any employee of an Affiliate;

(v) pledge its assets to secure the obligations of any other Person other than pursuant to the Loan Documents, the Priority Lien Debt Documents and the Junior Lien Debt Documents;

(w) fail to satisfy the requirements of Section 5.09;

(x) (i) institute proceedings to be adjudicated bankrupt or insolvent, (ii) institute or consent to the institution of bankruptcy, winding up or insolvency proceedings against it, (iii) file a petition seeking or consent to reorganization or relief under any applicable federal or state law relating to bankruptcy or insolvency, (iv) seek or consent to the appointment of a receiver, liquidator, provisional liquidator, assignee, trustee, sequestrator, collateral agent or any similar official for any SPV Party, (v) make any general assignment for the benefit of any SPV Party's creditors, (vi) admit in writing its inability to pay its debts generally as they become due, or

(vii) take any corporate action to approve any of the foregoing; or

(y) fail to file its own tax returns separate from those of any other Person, except to the extent that any SPV Party is treated as a disregarded entity for U.S. federal and applicable state and local income tax purposes or except as otherwise required by law.

Section 5.09 SPV Party Independent Directors. No SPV Party shall fail for five (5) consecutive Business Days to have the Required Number of Independent Directors (or 30 days in the case of such Independent Director's death, disability or resignation, provided that in the case of Loyalty Co, one Independent Director remains at Loyalty Co during such period). Each SPV Party agrees that no vote for a "Material Action" (as defined in the Specified Organization Document of such SPV Party) shall be held unless such SPV Party has the Required Number of Independent Directors at such time, all of the Required Number of Independent Directors are present for such vote and the affirmative vote of all Independent Directors is required for such SPV Party to take such "Material Action."

Section 5.10 Regulatory Matters; Utilization. American will:

(a) maintain at all times its status as an "air carrier" within the meaning of Section 40102(a)(2) of Title 49, and hold or co-hold a certificate under Section 41102(a)(1) of Title 49; and

(b) maintain at all times its status at the FAA as an "air carrier" and hold or co-hold an air carrier operating certificate under Section 44705 of Title 49 and operations specifications issued by the FAA pursuant to Parts 119 and 121 of Title 14.

Section 5.11 Collateral Ownership. Subject to the provisions described (including the actions permitted) under Section 6 hereof, each Grantor will continue to maintain its interest in and right to use all property and assets so long as such property and assets constitute Collateral, except as would not reasonably be expected to result in a Material Adverse Effect.

Section 5.12 [Reserved].

Section 5.13 Guarantors; Grantors; Collateral.

(a) Parent shall take, and cause each Subsidiary to take, such actions as are necessary in order to ensure that the obligations of the Loan Parties hereunder and under the other Loan Documents are guaranteed by all Guarantors. If (x) Parent or any of its Restricted Subsidiaries acquires or creates another Domestic Subsidiary or a Permitted Loyalty Subsidiary after the Closing Date or (y) Parent, in its sole discretion, elects to cause a Domestic Subsidiary that is not a Guarantor to become a Guarantor, then Parent will promptly cause such Domestic Subsidiary or Permitted Loyalty Subsidiary to guarantee the Guaranteed Obligations and become a Guarantor by executing an Instrument of Assumption and Joinder substantially in the form attached hereto as Exhibit B; provided, that any Domestic Subsidiary that constitutes an Immaterial Subsidiary, a Receivables Subsidiary or an Excluded Subsidiary need not become a Guarantor unless and until (1) 30 Business Days after such time as it ceases to be (and is no longer

any of) an Immaterial Subsidiary, a Receivables Subsidiary or an Excluded Subsidiary or (2) such time as it guarantees, or pledges any property or assets to secure, any other Obligations.

(b) If any Domestic Subsidiary that constitutes an Immaterial Subsidiary, a Receivables Subsidiary or an Excluded Subsidiary on the Closing Date ceases to be (and is no longer any of) an Immaterial Subsidiary, a Receivables Subsidiary or an Excluded Subsidiary or at such time as it guarantees, or pledges any property or assets to secure, Obligations hereunder, then Parent will promptly cause such Domestic Subsidiary to guarantee the Guaranteed Obligations and become a Guarantor by executing an Instrument of Assumption and Joinder substantially in the form attached hereto as Exhibit B within 30 Business Days after such time as it ceases to be (and is no longer any of) an Immaterial Subsidiary, a Receivables Subsidiary or an Excluded Subsidiary or such time as it guarantees, or pledges any property or assets to secure, any other Obligations.

(c) Notwithstanding the provisions in Section 5.13(a) and 5.13(b), no Regional Airline shall be required to become a Guarantor hereunder at any time. A Regional Airline may become a Guarantor at the sole discretion of American.

(d) Parent, American and Loyalty Co shall, in each case at their own expense,
(A) cause each Subsidiary of any SPV Party to become a Grantor and to become a party to the Security Agreement and each other applicable Collateral Document and all other agreements, instruments or documents that create or purport to create and perfect a first priority Lien (subject to Permitted Liens) in favor of the Master Collateral Agent for the benefit of the Secured Parties in substantially all of its assets (other than Excluded Property), subject to and in accordance with the terms, conditions and provisions of the Loan Documents, (B) promptly execute and deliver (or cause such Grantor to execute and deliver) to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent such documents and take such actions to create, grant, establish, preserve and perfect the applicable priority Liens (subject to Permitted Liens) (including to obtain any release or termination of Liens not permitted under Section 6.06 and the filing of UCC financing statements, as applicable) in favor of the Master Collateral Agent, as applicable, on such assets of any Grantor to secure the Obligations to the extent required under the applicable Collateral Documents or reasonably requested by the Administrative Agent or the Master Collateral Agent, and to ensure that such Collateral shall be subject to no other Liens other than Permitted Liens (it being understood that only American and the SPV Parties shall be required to become Grantors and pledge their respective Collateral) and (C) if reasonably requested by the Administrative Agent, deliver to the Administrative Agent, for the benefit of the Secured Parties, the Master Collateral Agent, the Collateral Administrator and the Depositary, a customary written opinion of counsel (which counsel shall be reasonably satisfactory to the Administrative Agent) to Parent or such Grantor, as applicable, with respect to the matters described in clauses (A) and (B) hereof, in each case within twenty (20) Business Days after the addition of such Collateral.

Section 5.14 Access to Books and Records.

(a) Each Loan Party will make and keep books, records and accounts in which full, true and correct entries in conformity with GAAP are made of all financial dealings and transactions in relation to its business and activities, including, without limitation, an accurate and

fair reflection of the transactions and dispositions of the assets of the Loan Parties.

(b) Each Loan Party will permit, to the extent not prohibited by applicable law or contractual obligations (including all confidentiality obligations set forth in the AAdvantage Agreements), any representatives designated by the Administrative Agent or any Governmental Authority that is authorized to supervise or regulate the operations of a Lender, as designated by such Lender, upon reasonable prior written notice and, so long as no Event of Default has occurred and is continuing, at no out-of-pocket cost to any Loan Party and not more than once per fiscal year, to (x) visit and inspect the Collateral (excluding the AAdvantage Agreements), (y) examine its books and records (excluding the AAdvantage Agreements) and (z) discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during normal business hours (it being understood that a representative of American will be present); provided that if an Event of Default has occurred and is continuing, the Loan Parties shall be responsible for the reasonable costs and expenses of any visits of the Administrative Agent and the Lenders, acting together (but not separately); provided, further, that with respect to Collateral and matters relating thereto, the rights of Administrative Agent and the Lenders under this Section 5.14 shall be limited to the following: upon the request of the Administrative Agent, the applicable Grantor will permit the Administrative Agent or any of its agents or representatives, at reasonable times and intervals upon reasonable prior notice, to (x) visit during normal business hours its offices and sites and (y) inspect any documents (excluding the AAdvantage Agreements) relating to (i) the existence of such Collateral, (ii) with respect to Collateral, the condition of such Collateral, and (iii) the validity, perfection and priority of the Liens on such Collateral, and to discuss such matters with its officers, except to the extent the disclosure of any such document or any such discussion would result in the applicable Grantor's violation of its contractual (including all confidentiality obligations set forth in the AAdvantage Agreements) or legal obligations. All confidential or proprietary information obtained in connection with any such visit, inspection or discussion shall be held confidential by the Administrative Agent and each agent or representative thereof and shall not be furnished or disclosed by any of them to anyone other than their respective bank examiners, auditors, accountants, agents and legal counsel, and except as may be required by an order of any court or administrative agency or by any statute, rule, regulation or order of any Governmental Authority. None of Parent or any of its Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter pursuant to this Section 5.14 (i) except after the occurrence of an Event of Default and of the exercise of remedies hereunder, that constitutes non-registered AAdvantage Intellectual Property, non-financial Trade Secrets (including the AAdvantage Customer Data) or non-financial proprietary information, including the AAdvantage Agreements,
(ii) in respect of which disclosure to Administrative Agent or any Lender (or their respective designees or representatives) is prohibited by law or any binding agreement (or would otherwise cause a breach or default thereunder), (iii) that is Excluded Intellectual Property or an AAdvantage Agreement, or (iv) that is subject to attorney-client or similar privilege or constitutes attorney work product.

Section 5.15 Further Assurances.

(a) In each case, subject to the terms, conditions and limitations in the Loan

Documents, each Loan Party shall execute any and all further documents and instruments, and take all further actions, that may be required or advisable under applicable law or that the Master Collateral Agent or the Collateral Administrator may reasonably request, in order to create, grant, establish, preserve, protect and perfect the validity, perfection and priority of the Liens and security interests created or intended to be created by the Collateral Documents, in each case to the extent required under this Agreement or the Collateral Documents. For the avoidance of doubt, the requirements of this Section 5.15(a) shall not create any obligation of the Loan Party to provide any AAdvantage Agreements (or copies thereof), or disclose any information therein that is not otherwise disclosed on the Closing Date.

(b) Promptly following the entry by Parent or any of its Subsidiaries into any AAdvantage Agreements after the Closing Date (or, in the case of an agreement that previously was a Retained Agreement that becomes an AAdvantage Agreement, upon such agreement becoming an AAdvantage Agreement), Loyalty Co will deliver to the Administrative Agent an executed Direction of Payment.

(c) Promptly after the date upon which it is permissible to transfer and assign any Specified Intellectual Property, the Loan Parties shall, if such Specified Intellectual Property is not transferred and assigned pursuant to an existing Contribution Agreement or an amendment thereto, execute and deliver one or more Contribution Agreements together with all further documents and instruments that may be required and advisable, and take all further actions that may be required or advisable under applicable law or that the Master Collateral Agent may reasonably request, to transfer and assign all of the Loan Parties' right, title and interest in and to such Specified Intellectual Property to Loyalty Co, and shall promptly provide the Administrative Agent and the Master Collateral Agent copies of any such documents.

Section 5.16 Maintenance of Rating. The Loan Parties shall use commercially reasonable efforts to cause the Term Loans to be continuously rated (but not any specific rating) by the two (2) Rating Agencies that initially rated the Term Loans. The Loan Parties shall make commercially reasonable efforts to provide such Rating Agencies (at American's sole expense) such reports, records and documents as each shall reasonably request to monitor or affirm such ratings, except to the extent the disclosure of any such document or any such discussion would result in the violation of any Loan Party's contractual (including all confidentiality obligations set forth in the AAdvantage Agreements) or legal obligations; *provided* that the Loan Parties' failure to obtain such a rating after using commercially reasonable efforts shall not constitute an Event of Default.

Section 5.17 AAdvantage Program; AAdvantage Agreements.

(a) Each Loan Party (as applicable) agrees to honor Miles according to the policies and procedures of the AAdvantage Program except to the extent that would not reasonably be expected to cause a Payment Material Adverse Effect.

(b) Each Loan Party shall take any action permitted under the AAdvantage Agreements and applicable law that it, in its reasonable business judgment, determines is advisable, in order to diligently and promptly (i) enforce its rights and any remedies available to it

under the AAdvantage Agreements, (ii) perform its obligations under the AAdvantage Agreements and (iii) cause the applicable counterparties to perform their obligations under the related AAdvantage Agreements, including such counterparties' obligations to make payments to and indemnify the applicable Loan Parties in accordance with the terms thereof in each case except to the extent that would not reasonably be expected to cause a Payment Material Adverse Effect.

(c) The Loan Parties shall not substantially reduce the AAdvantage Program business or modify the terms of the AAdvantage Program in any manner that would reasonably be expected to cause a Payment Material Adverse Effect.

(d) Parent shall not and shall not permit any of its Subsidiaries to change the policies and procedures of the AAdvantage Program in any manner that would reasonably be expected to cause a Payment Material Adverse Effect.

(e) No Loan Party shall, or shall permit any of its Subsidiaries to, establish, create, or operate any Loyalty Program, other than a Permitted Acquisition Loyalty Program or a Specified Minority Owned Program, unless substantially all (i) such Loyalty Program cash payments (which excludes, for the avoidance of doubt, airline revenues such as ticket sales and baggage fees), (ii) accounts in which such cash payments are deposited, (iii) Intellectual Property and member data (but solely to the extent that such Intellectual Property and member data would be included in the definition of AAdvantage Intellectual Property, substituting references to the AAdvantage Program with references to such other Loyalty Program), and (iv) material third-party co-branding, partnering or similar agreements, including airline-to-airline frequent flyer program agreements, related to or entered into in connection with such Loyalty Program (but solely to the extent that such agreements would be included in the definition of AAdvantage Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or later again become Retained Agreements), substituting references to the AAdvantage Program with references to such other Loyalty Program) and intercompany agreements concerning the operation of such Loyalty Program are transferred to and held at Loyalty Co or a Permitted Loyalty Subsidiary and pledged as Collateral on a first lien basis (except to the extent such revenues or assets constitute Excluded Property), subject to Permitted Liens; *provided* that, for the avoidance of doubt, nothing shall prohibit Parent or any of its Subsidiaries from offering and providing discounts or other incentives for travel or carriage on American or any of the oneworld partners (or, in the case of, American's AirPass program, Business Extra program and ConciergeKey program, from offering and providing other goods and services) to (A) any Person that is not a natural person or (B) members of American's AirPass program, Business Extra program and ConciergeKey program so long as no Currency is provided to such members other than Miles or, in the case of members of the Business Extra program that are Persons other than natural persons, the Currency of the Business Extra program.

(f) The Loan Parties agree that, with respect to each AAdvantage Agreement entered into after the Closing Date that would be an AAdvantage Agreement and not a Retained Agreement at such time, (i) Loyalty Co shall either be (A) party to such AAdvantage Agreement and have right to enforce the terms of such AAdvantage Agreement pursuant to the terms thereof or (B) an express third party beneficiary of such AAdvantage Agreement, including the express right to enforce the terms of such AAdvantage Agreement, pursuant to the terms thereof and (ii)

such AAdvantage Agreement shall (x) provide that payment made by the counterparty thereunder shall be made to Loyalty Co and deposited directly into the Collection Account and (y) permit Loyalty Co to grant a Lien on such AAdvantage Agreement to secure the Obligations; *provided*, that the foregoing shall not apply to any renewals, extensions or modifications of Closing Date AAdvantage Agreements as long as commercially reasonable efforts (as determined by American) have first been made to have Loyalty Co be a party to (or an express third party beneficiary of) such renewed, extended or modified agreement; provided further that in no event shall American be required to pay or provide concessions to a counterparty of such a renewed, extended or modified Closing Date AAdvantage Agreement in order to have Loyalty Co added as a party to such agreement (or an express third party beneficiary thereof). In the event that the Barclays Co-Branded Agreement or the Citi Co-Branded Agreement is renewed, extended or modified, American and Loyalty Co shall ensure that the applicable Co-Branded Consent is effective with respect to such renewed, extended or modified agreement.

(g) American shall assign all of its Assigned AAdvantage Agreement Rights with respect to each AAdvantage Agreement to Loyalty Co. The Loan Parties shall, if any such Assigned AAdvantage Agreement Rights with respect to any AAdvantage Agreement is not assigned pursuant to an existing Contribution Agreement, execute and deliver one or more Contribution Agreements together with all further documents and instruments that may be required, and take all further actions that may be required under applicable law or that the Master Collateral Agent may reasonably request, to transfer and assign all of the Loan Parties' Assigned AAdvantage Agreement Rights to Loyalty Co, and shall promptly provide the Administrative Agent and the Master Collateral Agent copies of any such documents.

(h) Notwithstanding anything to the contrary, with respect to any Permitted Acquisition Loyalty Program, each Loan Party shall be permitted to undertake any of the following actions at any time after such actions are permitted under the Material AAdvantage Agreements and applicable law:

(i) terminate the Permitted Acquisition Loyalty Program;

(ii) merge and consolidate the Permitted Acquisition Loyalty Program into the AAdvantage Program; or

(iii) cause all or part of the Permitted Acquisition Loyalty Program's payments in cash (which excludes airline revenues such as ticket sales and baggage fees) to be pledged as Collateral.

(i) For the avoidance of doubt, (i) until it is merged into or consolidated with the AAdvantage Program or substantially all of the payments in cash and Intellectual Property of such Permitted Acquisition Loyalty Program, all material third-party co-branding, partnering and similar agreements, including airline-to-airline frequent flyer program agreements, related to or entered into in connection with such Permitted Acquisition Loyalty Program (but solely to the extent that such agreements would be included in the definition of AAdvantage Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or again become Retained Agreements), substituting references to the

AAdvantage Program with references to such other Permitted Acquisition Loyalty Program) and intercompany agreements concerning the operation of such Permitted Acquisition Loyalty Program are transferred and held at Loyalty Co or a Permitted Loyalty Subsidiary and pledged as Collateral on a first lien basis, any Permitted Acquisition Loyalty Program shall not be deemed part of the AAdvantage Program, its co-branding, partnering or similar agreements, including airline-to-airline frequent flyer program agreements, shall not constitute AAdvantage Agreements, and its customer data shall not constitute AAdvantage Customer Data and (ii) following a merger or consolidation of such Permitted Acquisition Loyalty Program into the AAdvantage Program or substantially all of the payments in cash and Intellectual Property of such Permitted Acquisition Loyalty Program, all material third-party co-branding, partnering and similar agreements, including airline-to-airline frequent flyer program agreements, related to or entered into in connection with such Permitted Acquisition Loyalty Program (but solely to the extent that such agreements would be included in the definition of AAdvantage Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or later again become Retained Agreements), substituting references to the AAdvantage Program with references to such other Permitted Acquisition Loyalty Program) and intercompany agreements concerning the operation of such Permitted Acquisition Loyalty Program are transferred and held at Loyalty Co or a Permitted Loyalty Subsidiary and pledged as Collateral on a first lien basis (subject to Permitted Liens), (A) none of the restrictions described in the definition of "Permitted Acquisition Loyalty Program" will continue to apply to the merged program, (B) the co-branding, partnering and similar agreements, including airline-to-airline frequent flyer program agreements, related to or entered into in connection with such Permitted Acquisition Loyalty Program shall become AAdvantage Agreements (but solely to the extent that such agreements would be included in the definition of AAdvantage Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or again become Retained Agreements), substituting references to the AAdvantage Program with references to such other Permitted Acquisition Loyalty Program) and (C) to the extent not effected pursuant to such merger or consolidation, American shall promptly cause such Permitted Acquisition Loyalty Program's payments in cash (which excludes airline revenues such as ticket sales and baggage fees), accounts in which such payment in cash are deposited, Intellectual Property and member data related to such Permitted Acquisition Loyalty Program (but solely to the extent that such Intellectual Property and member data would be included in the definition of AAdvantage Intellectual Property, substituting references to the AAdvantage Program with references to such other Permitted Acquisition Loyalty Program), all material third-party co-branding, partnering and similar agreements, including airline-to-airline frequent flyer program agreements, related to or entered into in connection with such Permitted Acquisition Loyalty Program (but solely to the extent that such agreements would be included in the definition of AAdvantage Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or again become Retained Agreements), substituting references to the AAdvantage Program with references to such other Permitted Acquisition Loyalty Program) and intercompany agreements concerning the operation of such Loyalty Program and all other assets of such Permitted Acquisition Loyalty Program to be transferred and held at Loyalty Co or a Permitted Loyalty Subsidiary and be pledged as Collateral pursuant to the Collateral Documents.

(j) Each Loan Party agrees that if, as of any Determination Date, the aggregate amount of payments in cash attributable to the Retained Agreements for the preceding four Quarterly Reporting Periods (or, in the case of the first three Quarterly Reporting Periods, since the Closing Date) are greater than or equal to 7.0% of the AAdvantage Revenues for such period,
(i) American shall promptly transfer (or cause to be transferred) its Assigned AAdvantage Agreement Rights with respect to one or more Retained Agreements to Loyalty Co such that the aggregate amount of payments in cash produced by the Retained Agreements not so transferred is less than 7.0% of the AAdvantage Revenues in such period (on a pro forma basis) and shall deliver updates to Schedule 3.18 to list such transferred agreement(s) as AAdvantage Agreement(s) and (ii) upon the effectiveness of such transfer, such Retained Agreement(s) shall become AAdvantage Agreement(s); *provided* that, in the case of any airline-to-airline frequent flyer program agreement that was previously a Retained Agreement and subsequently becomes an AAdvantage Agreement, such airline-to-airline frequent flyer program may be re-designated as a Retained Agreement and released from the Collateral so long as after giving effect to such release and re-designation, the aggregate amount of revenues of the Retained Agreements is less than 7.0% (on a pro forma basis) for the preceding four Quarterly Reporting Periods (or, in the case of the first three Quarterly Reporting Periods, since the Closing Date).

(k) Loyalty Co shall have the exclusive right to issue Miles in connection with the AAdvantage Program (including any Miles purchased by American, AAdvantage Program members or any other third parties pursuant to AAdvantage Agreements, Retained Agreements, American Airline Business Agreements or otherwise from Loyalty Co, American or any of its Affiliates). Neither American nor any of its Affiliates (other than Loyalty Co) shall issue or create Miles. American shall purchase Miles from Loyalty Co in order to comply with its obligations under the AAdvantage Agreements, Retained Agreements and American Airline Business Agreements. Loyalty Co shall issue Miles purchased by American in accordance with the Intercompany Agreement. The sale, transfer and redemption of Miles between Loyalty Co and American shall be governed solely by the Intercompany Agreement.

(i) ~~(l)~~ In connection with the transactions contemplated by clauses (e) and/or
(i) of this Section 5.17, any SPV Party may form a Permitted Loyalty Subsidiary; *provided* that such Permitted Loyalty Subsidiary satisfies the requirements set forth in the definition of "Permitted Loyalty Subsidiary" within thirty (30) days after the formation of such Subsidiary (or such longer period as the Administrative Agent may agree in its sole discretion) and Loyalty Co provides written notice to the Administrative Agent designating such Subsidiary as a "Permitted Loyalty Subsidiary" and an "SPV Party".

(j) ~~(m)~~ Parent shall not enter into, be party to or otherwise obtain any rights under any AAdvantage Agreement.

Section 5.18 Reserve Account.

(a) Loyalty Co shall establish and maintain or cause to be maintained at the Collateral Custodian, a segregated non-interest bearing trust account in the name of Loyalty Co, for the purpose of holding a minimum balance of not less than the Reserve Account Required Balance (such account, the "**Reserve Account**"). The Reserve Account shall be subject at all

times to an Account Control Agreement. So long as the Collateral Custodian has not been notified by the Administrative Agent or any Borrower that an Event of Default has occurred and is continuing, then the Collateral Custodian shall, at the written direction of either Borrower from time to time cause the funds held in the Reserve Account, from time to time, to be invested in one or more Cash Equivalents selected by such Borrower (which Cash Equivalents shall at all times be subject to the Lien created hereunder); *provided* that in no event shall the Collateral Custodian: (i) have any responsibility whatsoever as to the validity or quality of any Cash Equivalent (or for determining whether any investment made qualifies under the definition of "Cash Equivalent"), (ii) be liable for the selection of Cash Equivalents or for investment losses incurred thereon or in respect of losses incurred as a result of the liquidation of any Cash Equivalent before its stated maturity pursuant to this Section 5.18 or the failure of a Borrower to provide timely written investment direction or (iii) have any obligation to invest or reinvest any such amounts in the absence of such investment direction. Following the Collateral Custodian's receipt of written notice from the Administrative Agent or from a Borrower that an Event of Default has occurred and is continuing, the Collateral Administrator shall cease making or renewing such Investments and funds on deposit in the Reserve Account shall thereafter remain uninvested. The Collateral Custodian shall not have any obligation to invest or reinvest the funds held in the Reserve Account on any day to the extent that the Collateral Custodian has not received investment instruction on or prior to 11:00 a.m. (New York time) on such day. Notwithstanding anything in this Agreement to the contrary, in no event shall any Borrower direct any investment in any such Cash Equivalent that will mature later than the Business Day before the next occurring Payment Date. It is agreed and understood that the entity serving as the Collateral Administrator or the Collateral Custodian may earn fees associated with the investments outlined above in accordance with the terms of such investments. In no event shall the Collateral Administrator or the Collateral Custodian be deemed an investment manager or adviser in respect of any selection of investments hereunder. It is understood and agreed that the Collateral Administrator, the Collateral Custodian or their respective affiliates are permitted to receive additional compensation that could be deemed to be in the Collateral Administrator's or the Collateral Custodian's economic self-interest for (1) serving as investment adviser, administrator, shareholder servicing agent, custodian or sub custodian with respect to certain of the investments, (2) using affiliates to effect transactions in certain investments and (3) effecting transactions in investments. All income from such Cash Equivalents shall be retained in the Reserve Account, subject to release as permitted by this Agreement. All investments in such Cash Equivalents shall be at the risk of Loyalty Co. All income from Cash Equivalents in the Reserve Account shall be taxable to Loyalty Co (or its regarded parent entity), and the Collateral Custodian shall prepare and timely distribute to American or Loyalty Co, as applicable, Form 1099 or other appropriate U.S. federal and state income tax forms with respect to such income.

(b) As security for the prompt payment or performance in full when due, whether at stated maturity, by acceleration or otherwise, of all Obligations, Loyalty Co hereby grants to the Collateral Administrator for the benefit of the Secured Parties a security interest in and lien upon, all of the Loyalty Co's right, title and interest in and to the Reserve Account, (i) all funds held in the Reserve Account, and all certificates and instruments, if any, from time to time representing or evidencing any Account or such funds, (ii) all Investments from time to time of amounts in the Reserve Account and all certificates and instruments, if any, from time to time

representing or evidencing such Investments, (iii) all notes, certificates of deposit and other instruments from time to time delivered to or otherwise possessed by the Collateral Administrator or any Secured Party or any assignee or agent on behalf of the Collateral Administrator or any Secured Party in substitution for or in addition to any of the then existing Collateral in the Reserve Account, and all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any and all of the then existing Collateral in the Reserve Account.

(c) The Borrowers hereby acknowledge and agree that: (i) the Collateral Administrator shall be the only Person that has a right to withdraw from the Reserve Account and
(ii) the funds on deposit in the Reserve Account shall at all times continue to be Collateral security for the benefit of the Secured Parties and shall not be subject to any Lien other than a Lien benefiting the Collateral Administrator on behalf of the Secured Parties.

(d) If, on any Determination Date, the amount on deposit in the Reserve Account exceeds the Reserve Account Required Balance for the related Payment Date, Loyalty Co shall be entitled to request the Collateral Administrator by notice in writing (which may be the Payment Date Statement) to transfer such excess amounts in the Reserve Account to the Collection Account on the related Allocation Date. In such circumstances, the Collateral Administrator shall promptly direct the Collateral Custodian to wire such excess amounts from the Reserve Account to the Collection Account.

(e) If, on any Determination Date, Available Funds for the related Payment Date will not be sufficient to pay in full the amounts due pursuant to clauses (i), (ii) and (iii) of Section 2.10(b) on the related Payment Date, Loyalty Co shall request by notice in writing (which may be the Payment Date Statement) to the Collateral Administrator that the Collateral Administrator, on or prior to the related Payment Date, transfer amounts in the Reserve Account to the Payment Account to the extent necessary so that Available Funds on the related Payment Date will be sufficient to pay such amounts on the related Payment Date. In such circumstances, the Collateral Administrator shall promptly direct the Collateral Custodian to wire such amounts from the Reserve Account to the Payment Account.

(f) Loyalty Co will at all times maintain a minimum balance of not less than the Reserve Account Required Balance in the Reserve Account (for the avoidance of doubt, except to the extent a lesser balance is maintained during the period from (and including) any Allocation Date to the time at which funds are distributed in accordance with Section 2.10(b) on the related Payment Date as a result of funds being remitted from the Reserve Account to the Payment Account in accordance with the Loan Documents).

(g) In the event that (A) a Responsible Officer of a Borrower obtains actual knowledge that the Collateral Custodian shall no longer have the deposit rating necessary for the Reserve Account to be an Eligible Deposit Account or (B) a Borrower receives notice from the Administrative Agent of such deposit rating change, Loyalty Co shall provide prompt written notice to the Collateral Administrator and the Administrative Agent and, within thirty (30) days (as may be extended by the Collateral Administrator (acting at the direction of the Administrative Agent)) of obtaining such knowledge or receiving such notice, move the Reserve Account to a new

depositary institution pursuant to Section 8.05(d).

Section 5.19 Payment Account.

(a) Loyalty Co shall establish and maintain or cause to be maintained at the Collateral Custodian, a segregated non-interest bearing trust account in the name of Loyalty Co, for the purpose of holding amounts allocated to the Term Loans pursuant to the terms hereof (such account, the "**Payment Account**"). The Payment Account shall be subject at all times to an Account Control Agreement. Funds on deposit in the Payment Account shall be uninvested.

(b) As security for the prompt payment or performance in full when due, whether at stated maturity, by acceleration or otherwise, of all Obligations, Loyalty Co hereby grants to the Collateral Administrator for the benefit of the Secured Parties a security interest in and lien upon, all of the Loyalty Co's right, title and interest in and to (i) the Payment Account, (ii) all funds held in the Payment Account, and all certificates and instruments, if any, from time to time representing or evidencing any Account or such funds, (iii) all Investments from time to time of amounts in the Payment Account and all certificates and instruments, if any, from time to time representing or evidencing such Investments, (iv) all notes, certificates of deposit and other instruments from time to time delivered to or otherwise possessed by the Collateral Administrator or any Secured Party or any assignee or agent on behalf of the Collateral Administrator or any Secured Party in substitution for or in addition to any of the then existing Collateral in the Payment Account, and (v) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any and all of the then existing Collateral in the Payment Account.

(c) Each Loan Party hereby acknowledges and agrees that: (i) at all times, the Collateral Administrator shall be the only Person that has a right to withdraw funds from the Payment Account and (ii) the funds on deposit in the Payment Account shall at all times continue to be Collateral security for all of the Obligations and shall not be subject to any Lien other than a Lien benefiting the Collateral Administrator on behalf of the Secured Parties.

(d) In the event that (A) a Responsible Officer of a Borrower obtains actual knowledge that the Collateral Custodian shall no longer have the deposit rating necessary for the Payment Account to be an Eligible Deposit Account or (B) a Borrower receives notice from the Administrative Agent of such deposit rating change, Loyalty Co shall provide prompt written notice to the Collateral Administrator and the Administrative Agent and, within thirty (30) days (as may be extended by the Collateral Administrator (acting at the direction of the Administrative Agent)) of obtaining such knowledge or receiving such notice, move the Payment Account to a new depositary institution pursuant to Section 8.05(d).

Section 5.20 Collections; Releases from Collection Account.

(a) American and Loyalty Co shall instruct and use commercially reasonable efforts to cause sufficient counterparties to AAdvantage Agreements to direct payments of Transaction Revenue into the Collection Account such that in any Quarterly Reporting Period, at least 90% of AAdvantage Revenues are deposited directly into the Collection Account.

(b) To the extent any Loan Party or any of its controlled Affiliates receives any payments of Transaction Revenues to an account other than the Collection Account, such Loan Party or Affiliate shall cause such amounts to be deposited into the Collection Account within three (3) Business Days after receipt and identification thereof.

(c) American, Parent, and HoldCo 2 shall make, and Loyalty Co shall ensure that, all payments payable to Loyalty Co pursuant to the Intercompany Agreement and the IP Licenses are made directly into the Collection Account.

(d) No Loan Party shall withdraw or release funds from the Collection Account except in accordance with the terms of the Collateral Agency and Accounts Agreement. Notwithstanding anything to the contrary set forth herein (including, but not limited to, Sections 5.08, 6.01 or 6.05) or in any other Transaction Document, any amount released to Loyalty Co from the Payment Account in accordance with Section 2.10(b)(xi) of this Agreement or the Collection Account in accordance with Section 2.11 of the Collateral Agency and Accounts Agreement may be transferred by Loyalty Co to American in any manner without restriction.

Section 5.21 [Reserved].

Section 5.22 Mandatory Prepayments. To the extent not applied in accordance with Section 2.12, the Borrowers shall cause an amount equal to the Net Proceeds from all transactions that result in mandatory prepayments pursuant to the terms of Section 2.12 to be deposited promptly into the Collection Account, which amounts shall be applied in accordance with the terms of Section 2.12.

Section 5.23 Privacy and Data Security. Except as would not reasonably be expected to result in a Material Adverse Effect, each applicable Loan Party shall maintain in effect commercially reasonable privacy and data security policies. Without limiting the generality of the foregoing, except as would not reasonably be expected to result in a Material Adverse Effect, each applicable Loan Party shall comply in all material respects, and shall cause each of its Subsidiaries to be, and shall use commercially reasonable efforts to cause each of its Third Party Processors to be, in compliance in all material respects, with (i) all applicable internal privacy policies and privacy policies contained on any websites maintained by or on behalf of each such Loan Party or such Subsidiary and such policies are consistent with the actual practices of such entity, (ii) all applicable Data Protection Laws with respect to Personal Data, including Data Protection Laws anywhere in the United States, the State of California, the Cayman Islands, the United Kingdom and the European Union and (iii) its contractual commitments and obligations regarding Personal Data.

SECTION 6.

NEGATIVE COVENANTS

From the date hereof and for so long as the Term Loan Commitments remain in effect or principal of or interest on any Term Loan is owing (or any other amount that is due and unpaid on the first date that none of the foregoing is in effect, outstanding or owing, respectively, is

owing) to any Lender or the Administrative Agent hereunder: Section 6.01 Restricted Payments.

(a) Parent shall not, and shall not permit any of its Restricted Subsidiaries (other than the SPV Parties, who shall be governed exclusively by Section 6.01(c)) to, directly or indirectly:

(i) declare or pay any dividend or make any other payment or distribution on account of Parent's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving Parent or any of its Restricted Subsidiaries) or to the direct or indirect holders of Parent's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than, solely with respect to the Loan Parties that are not SPV Parties, (A) dividends, distributions or payments payable in Qualifying Equity Interests or in the case of preferred stock of Parent, an increase in the liquidation value thereof and (B) dividends, distributions or payments payable to Parent or a Restricted Subsidiary of Parent);

(ii) purchase, redeem or otherwise acquire or retire for value any Equity Interests of Parent or any SPV Party;

(iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value (collectively for purposes of this clause (iii), a "purchase") any Indebtedness of the Loan Parties that is contractually subordinated in right of payment to the Term Loans, excluding solely with respect to the Loan Parties that are not SPV Parties (x) any intercompany Indebtedness between or among Parent and any of its Restricted Subsidiaries and (y) any scheduled payment of interest and any purchase within two years of the Stated Maturity thereof; or

(iv) make any Restricted Investment (all such payments and other actions set forth in these clauses (i) through (iv) above being collectively referred to as "**Restricted Payments**"),

unless, solely with respect to Parent and the Restricted Subsidiaries that are not SPV Parties, at the time of and after giving effect to such Restricted Payment:

(1) (A) no Default or Event of Default is continuing as of such date and
(B) Liquidity as at such time (after (1) excluding from the calculation thereof an amount equal to 75% of the aggregate committed principal amount under all revolving credit facilities (whether drawn or undrawn) of the Parent and its Restricted Subsidiaries as of such date and (2) giving pro forma effect to any Restricted Payment to be made on such date) is at least equal to $4,000,000,000, or

(2) the aggregate amount of all Restricted Payments made by Parent

and its Restricted Subsidiaries since October 10, 2014 and together with such Restricted Investments outstanding at the time of giving effect to such Restricted Payment (excluding, in each case, Restricted Payments permitted by clauses (2) through (22) of Section 6.01(b)), is less than the greater of (i) $0 and (ii) the sum, without duplication, of:

(A) 50% of the Consolidated Net Income of Parent for the period (taken as one accounting period) from June 30, 2013 to the end of Parent's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); plus 50% of the Consolidated Net Income (as such term is defined in the US Airways Indenture) of US Airways for the period (taken as one accounting period) from October 1, 2011 to December 9, 2013 (or, if such Consolidated Net Income (as such term is defined in the US Airways Indenture) for such period is a deficit, less 100% of such deficit); plus

(B) 100% of the aggregate net cash proceeds and the Fair Market Value of non-cash consideration received by Parent since October 10, 2014 as a contribution to its common equity capital or from the issue or sale of Qualifying Equity Interests (other than Qualifying Equity Interests sold to a Subsidiary of Parent and excluding Excluded Contributions and other than proceeds from any Permitted Warrant Transaction); plus

(C) (x) 100% of the aggregate net cash proceeds and the Fair Market Value of non-cash consideration received by Parent or a Restricted Subsidiary of Parent from the issue or sale of convertible or exchangeable Disqualified Stock of Parent or a Restricted Subsidiary of Parent or convertible or exchangeable debt securities of Parent or a Restricted Subsidiary of Parent (regardless of when issued or sold) or in connection with the conversion or exchange thereof, in each case that have been converted into or exchanged since October 10, 2014 for Qualifying Equity Interests (other than Qualifying Equity Interests and convertible or exchangeable Disqualified Stock or debt securities sold to a Subsidiary of Parent); plus (y) 100% of the aggregate net cash proceeds and the Fair Market Value (as such term is defined in the US Airways Indenture) of non-cash consideration received by US Airways or a Restricted Subsidiary (as such term is defined in the US Airways Indenture) of US Airways from the issue or sale of convertible or exchangeable Disqualified Stock (as such term is defined in the US Airways Indenture) of US Airways or a Restricted Subsidiary (as such term is defined in the US Airways Indenture) of US Airways or convertible or exchangeable debt securities of US Airways or a Restricted Subsidiary (as such term is defined in the US Airways Indenture) of US Airways (regardless of when issued or sold) or in connection with the conversion or exchange thereof, in each case that have been converted into or exchanged since the US Airways Closing Date for Qualifying Equity Interests (as such term is defined in the US Airways Indenture) (other than Qualifying Equity Interests (as such term is defined in the US Airways Indenture) and convertible or exchangeable Disqualified Stock (as such term is defined in the US Airways Indenture) or debt securities sold to a Subsidiary of US Airways); plus

(D) to the extent that any Restricted Investment that was made after

October 10, 2014 is (i) sold for cash or otherwise cancelled, liquidated or repaid for cash or (ii) made in an entity that subsequently becomes a Restricted Subsidiary of Parent, the initial amount of such Restricted Investment (or, if less, the amount of cash received upon repayment or sale); plus

(E) to the extent that any Unrestricted Subsidiary (other than any Unrestricted Subsidiary to the extent the Investment in such Unrestricted Subsidiary constituted a Permitted Investment) of Parent designated as such after October 10, 2014 is redesignated as a Restricted Subsidiary after October 10, 2014, the greater of (i) the Fair Market Value of Parent's Restricted Investment in such Subsidiary as of the date of such redesignation and (ii) such Fair Market Value as of the date on which such Subsidiary was originally designated as an Unrestricted Subsidiary after October 10, 2014; plus

(F) 100% of any dividends received in cash by Parent or a Restricted Subsidiary of Parent after October 10, 2014 from an Unrestricted Subsidiary (other than any Unrestricted Subsidiary to the extent the Investment in such Unrestricted Subsidiary constituted a Permitted Investment) of Parent, to the extent that such dividends were not otherwise included in the Consolidated Net Income of Parent for such period.

(b) Solely in the case of Parent and its Restricted Subsidiaries (other than SPV Parties), the provisions of Section 6.01(a) will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or distribution or redemption payment would have complied with the provisions of this Agreement;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of Parent) of, Qualifying Equity Interests or from the substantially concurrent contribution of common equity capital to Parent; provided that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will not be considered to be net proceeds of Qualifying Equity Interests for purposes of clause (a)(2)(ii)(B) of Section 6.01 and will not be considered to be Excluded Contributions;

(3) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution), distribution or payment by a Restricted Subsidiary of Parent to the holders of its Equity Interests on a pro rata basis;

(4) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of American, Parent or any Restricted Subsidiary (other than an SPV Party) that is contractually subordinated in right of payment to the Term Loans with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(5) the repurchase, redemption, acquisition or retirement for value of any

Equity Interests of Parent or any Restricted Subsidiary of Parent held by any current or former officer, director, consultant or employee (or their estates or beneficiaries of their estates) of Parent or any of its Restricted Subsidiaries pursuant to any management equity or compensation plan or equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed $60,000,000 in any 12-month period (except to the extent such repurchase, redemption, acquisition or retirement is in connection with the acquisition of a Permitted Business or merger, consolidation or amalgamation otherwise permitted by this Agreement and in such case the aggregate price paid by Parent and its Restricted Subsidiaries may not exceed $150,000,000 in connection with such acquisition of a Permitted Business or merger, consolidation or amalgamation); provided, further, that Parent or any of its Restricted Subsidiaries may carry over and make in subsequent 12-month periods, in addition to the amounts permitted for such 12-month period, up to $30,000,000 of unutilized capacity under this clause (5) attributable to the immediately preceding 12-month period;

(6) the repurchase of Equity Interests or other securities deemed to occur upon (A) the exercise of stock options, warrants or other securities convertible or exchangeable into Equity Interests or any other securities, to the extent such Equity Interests or other securities represent a portion of the exercise price of those stock options, warrants or other securities convertible or exchangeable into Equity Interests or any other securities or (B) the withholding of a portion of Equity Interests issued to employees and other participants under an equity compensation program of Parent or its Subsidiaries to cover withholding tax obligations of such persons in respect of such issuance;

(7) so long as no Default or Event of Default has occurred and is continuing, the declaration and payment of regularly scheduled or accrued dividends, distributions or payments to holders of any class or series of Disqualified Stock or subordinated debt of Parent or any preferred stock of any Restricted Subsidiary of Parent;

(8) payments of cash, dividends, distributions, advances, common stock or other Restricted Payments by Parent or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares;

(9) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of Parent or any Disqualified Stock or preferred stock of any Restricted Subsidiary of Parent to the extent such dividends are included in the definition of "Fixed Charges" for such Person;

(10) Restricted Payments made with Excluded Contributions;

(11) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to Parent or any of its Restricted Subsidiaries by, any Unrestricted Subsidiary;

(12) any Restricted Payment in connection with any full or partial "spin-off" of a

Subsidiary (other than any SPV Party) or similar transactions; provided that no Default or Event of Default has occurred and is continuing; provided, further, that the assets distributed or dividended do not include, directly or indirectly, any property or asset that constitutes Collateral;

(13) the distribution or dividend of assets or Capital Stock of any Person in connection with any full or partial "spin-off" of a Subsidiary (other than any SPV Party) or similar transactions having an aggregate Fair Market Value not to exceed $600,000,000 since October 10, 2014; provided that the assets distributed or dividended do not include, directly or indirectly, any property or asset that constitutes Collateral;

(14) so long as no Default or Event of Default has occurred and is continuing, any (x) Restricted Payment (other than a Restricted Investment) made on or after October 10, 2014 and (y) Restricted Investments outstanding at any such time, in an aggregate amount not to exceed $900,000,000, such aggregate amount to be calculated from October 10, 2014;

(15) the payment of any amounts in respect of any restricted stock units or other instruments or rights whose value is based in whole or in part on the value of any Equity Interests issued to any directors, officers or employees of Parent or any Restricted Subsidiary of Parent;

(16) the making of cash payments in connection with any conversion of Convertible Indebtedness in an aggregate amount since October 10, 2014 not to exceed the sum of (a) the principal amount of such Convertible Indebtedness plus (b) any payments received by Parent or any of its Restricted Subsidiaries pursuant to the exercise, settlement or termination of any related Permitted Bond Hedge Transaction;

(17) (a) any payments in connection with a Permitted Bond Hedge Transaction and (b) the settlement of any related Permitted Warrant Transaction (i) by delivery of shares of Parent's common stock upon settlement thereof or (ii) by (A) set-off against the related Permitted Bond Hedge Transaction or (B) payment of an early termination amount thereof upon any early termination thereof in common stock or, in the case of a nationalization, insolvency, merger event (as a result of which holders of such common stock are entitled to receive cash or other consideration for their shares of such common stock) or similar transaction with respect to Parent or such common stock, cash and/or other property;

(18) [Reserved];

(19) so long as no Default or Event of Default has occurred and is continuing, Restricted Payments (i) made to purchase or redeem Equity Interests of Parent or (ii) consisting of payments in respect of any Indebtedness (whether for purchase or prepayment thereof or otherwise);

(20) payment of dividends in respect of Parent's Capital Stock in each fiscal year

in an amount up to 50% of Excess Cash Flow for the immediately preceding fiscal year, so long as, both immediately before and after giving effect to such payment, no Default or Event of Default has occurred and is continuing at the time of and immediately after giving effect to the payment of such dividends;

(21) Restricted Payments with assets or properties that (i) do not consist of Collateral or Capital Stock of Parent or any of its Restricted Subsidiaries and (ii) have an aggregate Fair Market Value as of the date each such Restricted Payment is made (without giving effect to subsequent changes in value), when taken together with all other (x) Restricted Payments (other than Investments) and (y) Restricted Investments that remain outstanding, in each case, made pursuant to this clause (21), do not exceed 5.0% of the Consolidated Tangible Assets of Parent and its Restricted Subsidiaries; and

(22) any repurchase of Accounts and/or related assets pursuant to a Receivables Repurchase Obligation.

In the case of any Restricted Payment that is not cash, the amount of such non-cash Restricted Payment will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by Parent or such Restricted Subsidiary of Parent, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this Section 6.01 will be determined by a Responsible Officer of American and, if greater than $10,000,000, set forth in an Officer's Certificate delivered to the Administrative Agent.

For purposes of determining compliance with this Section 6.01, if a proposed Restricted Payment (or portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in clauses (1) through (22) of subparagraph (b) of this Section 6.01, or is entitled to be made pursuant to subparagraph (a) of this Section 6.01, Parent will be entitled to classify on the date of its payment or later reclassify such Restricted Payment (or portion thereof) in any manner that complies with this Section 6.01.

For the avoidance of doubt, the payment on or with respect to, or purchase, redemption, defeasance or other acquisition or retirement for value by Parent and the Restricted Subsidiaries that are not SPV Parties of any Indebtedness (including any Convertible Indebtedness) of Parent or any Restricted Subsidiary of Parent that is not contractually subordinated in right of payment to the Obligations shall not constitute Restricted Payment and therefore will not be subject to any of the restrictions described in Section 6.01(a).

Notwithstanding anything in this Agreement or any other Loan Document to the contrary, if a Restricted Payment is made (or any other action is taken or omitted under this Agreement or any other Loan Document) at a time when a Default or Event of Default has occurred and is continuing and such Default or Event of Default is subsequently cured, any Default or Event of Default arising from the making of such Restricted Payment (or the taking or omission of such other action) during the existence of such Default or Event of Default shall simultaneously be deemed cured.

(c) Notwithstanding anything in this Agreement or any other Loan Document to the contrary, no SPV Party shall, directly or indirectly, make any Restricted Payments or any payments in respect of any intercompany Indebtedness; *provided* that the provisions of this Section 6.01(c) hereof will not prohibit:

(i) Restricted Payments (including the making of any intercompany loans, any payments in respect of intercompany debt or Junior Lien Debt or any payments with respect to Indebtedness in the nature of an "AHYDO catch up" payment with respect to any Indebtedness that constitutes an applicable high yield discount obligation) with amounts released to Loyalty Co under Section 2.10(b)(xi) of this Agreement or pursuant to Section 2.11 of the Collateral Agency and Accounts Agreement; and

(ii) the making of the American Intercompany Loan on the Closing Date from the proceeds of the Term Loans and the notes under the Indenture;

provided, further, that notwithstanding anything to the contrary in this Agreement or any other Loan Document, other than funds released to Loyalty Co pursuant to clause (vi) of the priority of payments in Section 7.01, no SPV Party shall be permitted to make any Restricted Payment at any time when an Event of Default has occurred and is continuing.

Section 6.02 Incurrence of Indebtedness and Issuance of Preferred Stock. The SPV Parties shall not, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to any Indebtedness other than the following (and Parent and its Restricted Subsidiaries shall not, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to any Indebtedness with respect to any Pre-paid Miles Purchase other than as set forth in clause (b) below):

(a) Junior Lien Debt; *provided* that (i) prior to the incurrence of such Junior Lien Debt, the Rating Agency Condition shall have been satisfied with respect to the incurrence of such Junior Lien Debt, (ii) no Event of Default or Early Amortization Event shall have occurred and be continuing or would result from the issuance of such Junior Lien Debt, (iii) to the extent that immediately after giving effect to the issuance of such Junior Lien Debt the aggregate outstanding amount of Junior Lien Debt would exceed $1,000,000,000, the ratio of (A) (I) the aggregate outstanding amount of Junior Lien Debt (including such Junior Lien Debt being then issued) plus (II) the greater of (x) the then-outstanding principal amount of Priority Lien Debt and
(y) the Priority Lien Cap divided by (B) the sum of (x) the aggregate amount of Transaction Revenue received during the period of four consecutive Quarterly Reporting Periods ending on the most recent Determination Date and (y) funds transferred to the Collection Account pursuant to Section 2.24 in connection with such Determination Date, shall not exceed 1.65 to 1.00 on a pro forma basis and (iv) such Junior Lien Debt shall not be incurred by or subject to a guarantee by any Subsidiary of Parent other than any SPV Party, unless such Subsidiary guarantees the Term Loans;

(b) Pre-paid Miles Purchases, so long as:

(i) the aggregate amount of Miles purchased under all Pre-paid Miles

Purchases since the Closing Date does not reduce the present value of the cash payments to the Loan Parties under the related co-brand, partnering or similar agreements relating to the AAdvantage Program by more than $550,000,000 (computed on the date of each Pre-paid Miles Purchase using a discount rate equal to 5.75% per annum);

(ii) such sale is non-refundable by the SPV Parties and non-recourse to the SPV Parties;

(iii) such Miles are purchased by American from Loyalty Co pursuant to the Intercompany Agreement in order to satisfy its obligations in connection therewith;

(iv) the Indebtedness related thereto is unsecured or secured by assets of Parent or its Subsidiaries (other than the SPV Parties) that do not constitute Collateral (subject, in each case, to customary rights of setoff) and (v) no Early Amortization Period or Event of Default is continuing at the time of such sale or would immediately result therefrom;

(c) Indebtedness under this Agreement and Qualifying Note Debt and any Indebtedness issued in a Capital Markets Offering by the Borrowers; *provided* that (i) any such Indebtedness (other than with respect to clauses (A) and (B) below, (1) customary bridge loans which, subject only to customary conditions (which shall be limited to no payment or bankruptcy event of default) would either automatically be converted into or required to be exchanged for long-term refinancing in the form of Incremental Term Loans permitted under (and subject to the requirements of) Section 2.27, Replacement Term Loans permitted under (and subject to the requirements of) Section 10.08 or Priority Lien Debt permitted under (and subject to the requirements of) this Section 6.02(c) and (2) Indebtedness under this Agreement incurred on the Closing Date or Qualifying Note Debt so long as, in each case, such Indebtedness or Qualifying Note Debt is not amended to make the maturity date thereof earlier than the maturity date thereof as in effect on the Closing Date or to shorten the Weighted Average Life to Maturity thereof), (A) shall have a maturity date not earlier than the Latest Maturity Date, (B) shall have a Weighted Average Life to Maturity thereof no shorter than the remaining Weighted Average Life to Maturity of the then-outstanding Term Loans or notes outstanding pursuant to this clause (c), and (C) shall not be subject to or benefit from any Guarantee by any Person other than a Loan Party, (ii) after giving effect to such Indebtedness, the outstanding principal amount of the Priority Lien Debt shall not exceed the Priority Lien Cap (plus, fees, expenses, premium and accrued interest in respect of any Indebtedness incurred pursuant to this Section 6.02(c) which refinances other Indebtedness of Loyalty Co permitted hereunder), (iii) prior to the issuance of any additional Indebtedness issued in a Capital Markets Offering after the initial issuance, the Rating Agency Condition shall have been satisfied, and (iv) in the case of the issuance of any additional Indebtedness issued in a Capital Markets Offering other than Qualifying Note Debt, (A) the terms and conditions governing such Indebtedness shall (x) be reasonably acceptable to the Administrative Agent or (y) be substantially similar to, or (taken as a whole) no more favorable (as reasonably determined by Loyalty Co) to the investors or holders providing such Indebtedness than those applicable to the then-outstanding Term Loans (except to the extent such terms (I) are conformed (or added) in the

Loan Documents for the benefit of the Lenders holding then-outstanding Term Loans pursuant to an amendment hereto or thereto subject solely to the reasonable satisfaction of Loyalty Co and the Administrative Agent, (II) are applicable solely to periods after the latest final maturity date of the then-outstanding Term Loans at the time of such incurrence or (III) consist of pricing, fees, rate floors, premiums, optional prepayment or redemption terms) and (B) shall be issued pursuant to the Indenture or one or more other indentures, and the trustee thereunder shall become a Senior Secured Debt Representative and the holders of such Indebtedness shall be subject to and bound by the Collateral Agency and Accounts Agreement; *provided* that notwithstanding the foregoing, in no event shall such Indebtedness be subject to events of default resulting (either directly or through a cross-default or cross-acceleration provision) from the occurrence of any event described in the definition of "Parent Bankruptcy Event" (or the occurrence of any such event with respect to any Subsidiary of Parent other than any SPV Party) except on the same terms as the then-outstanding Term Loans, (v) no Event of Default or Early Amortization Event shall have occurred and be continuing or would result from the issuance of such Indebtedness and (vi) other than in the case of Qualifying Note Debt, the pro forma Peak Debt Service Coverage Ratio (calculated using the Maximum Quarterly Debt Service of the then-outstanding Priority Lien Debt and such Indebtedness) as of the immediately preceding Determination Date, immediately after giving effect to the issuance of such Indebtedness shall be more than (i) for any date of determination prior to the Determination Date occurring in January 2022, 1.10 to 1.00, (ii) for any date of determination during the period beginning on or after the Determination Date occurring in January 2022 but excluding the Determination Date occurring in January 2023, 1.50 to 1.00, (iii) for any date of determination during the period beginning on or after the Determination Date occurring in January 2023 but excluding the Determination Date occurring in July 2023, 1.75 to 1.00 and (iv) for any date of determination occurring on or after the Determination Date in July 2023, 2.25 to 1.00;

(d) Indebtedness arising from customary indemnification or other similar obligations under the Loan Documents and the other agreements entered into on the Closing Date in connection therewith (or replacements or amendments thereto which are permitted under this Agreement); and

(e) ~~(e)~~ Indebtedness otherwise permitted to be secured under Section 6.06. Section 6.03 [Reserved].

Section 6.04 Disposition of Collateral. No Loan Party shall sell or otherwise Dispose of any Collateral (or, in the case of any SPV Party, any of its property or assets (including the Collateral)), including by way of any Sale of a Grantor, except for (i) a Permitted Disposition, (ii) Permitted Pre-paid Miles Purchases in an aggregate amount not to exceed $550,000,000 since the Closing Date, and (iii) any other sale or Disposition (other than a Sale of a Grantor) of assets having a Fair Market Value in an aggregate amount not to exceed $25,000,000 in any fiscal year.

Section 6.05 Transactions with Affiliates.

(a) Parent will not, and will not permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise dispose of any of its properties or assets

to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of Parent (each, an "**Affiliate Transaction**") involving aggregate payments or consideration in excess of $60,000,000, unless:

(i) the Affiliate Transaction is on terms that are not materially less favorable to Parent or the relevant Restricted Subsidiary (taking into account all effects Parent or such Restricted Subsidiary expects to result from such transaction whether tangible or intangible) than those that would have been obtained in a comparable transaction by Parent or such Restricted Subsidiary with an unrelated Person; and

(ii) Parent delivers to the Administrative Agent:

(1) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of
$150,000,000, an Officer's Certificate certifying that such Affiliate Transaction complies with clause (i) of this Section 6.05(a); and

(2) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of
$300,000,000, an opinion as to the fairness to Parent or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 6.05(a):

(i) any employment agreement, confidentiality agreement, non-competition agreement, incentive plan, employee stock option agreement, long-term incentive plan, profit sharing plan, employee benefit plan, officer or director indemnification agreement or any similar arrangement entered into by Parent or any of its Restricted Subsidiaries in the Ordinary Course of Business and payments pursuant thereto;

(ii) transactions between or among any of Parent and/or its Restricted Subsidiaries (including without limitation in connection with (or in anticipation of) any full or partial "spin-off" or similar transactions);

(iii) transactions with a Person (other than an Unrestricted Subsidiary of Parent) that is an Affiliate of Parent solely because Parent owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(iv) payment of fees, compensation, reimbursements of expenses (pursuant to indemnity arrangements or otherwise) and reasonable and customary

indemnities provided to or on behalf of officers, directors, employees or consultants of Parent or any of its Restricted Subsidiaries;

(v) any issuance of Qualifying Equity Interests or any increase in the liquidation preference of preferred stock of Parent;

(vi) transactions with customers, clients, suppliers or purchasers or sellers of goods or services in the Ordinary Course of Business or transactions with joint ventures, alliances, alliance members or Unrestricted Subsidiaries entered into in the Ordinary Course of Business;

(vii) Permitted Investments and Restricted Payments that do not violate Section 6.01;

(viii) loans or advances to employees in the Ordinary Course of Business not to exceed $30,000,000 in the aggregate at any one time outstanding;

(ix) (i) transactions pursuant to agreements or arrangements in effect on the Closing Date or any amendment, modification or supplement thereto or replacement thereof and any payments made or performance under any agreement as in effect on the Closing Date or any amendment, replacement, extension or renewal thereof (so long as such agreement as so amended, replaced, extended or renewed is not materially less advantageous, taken as a whole, to the Lenders than the original agreement as in effect on the Closing Date) and (ii) with respect to US Airways and any of its Restricted Subsidiaries, transactions pursuant to agreements or arrangements in effect on the date of any amendment, modification or supplement thereto or replacement thereof and any payments made or performance under any agreement as in effect on the date of any amendment, replacement, extension or renewal thereof (so long as such agreement as so amended, replaced, extended or renewed is not materially less advantageous, taken as a whole, to the Lenders than the original agreement);

(x) transactions between or among any of Parent and/or its Subsidiaries or transactions between a Receivables Subsidiary and any Person in which the Receivables Subsidiary has an Investment;

(xi) any transaction effected as part of a Qualified Receivables Transaction;

(xii) any purchase by Parent's Affiliates of Indebtedness of Parent or any of its Restricted Subsidiaries, the majority of which Indebtedness is offered to Persons who are not Affiliates of Parent;

(xiii) transactions pursuant to, in connection with or contemplated by any Marketing and Service Agreement, the Intercompany Agreement or any IP Agreement or any Transaction Document;

(xiv) transactions between Parent or any of its Restricted Subsidiaries with any employee labor unions or other employee groups of Parent or such Restricted Subsidiary provided such transactions are not otherwise prohibited by this Agreement;

(xv) transactions with captive insurance companies of Parent or any of its Restricted Subsidiaries; and

(xvi) transactions between or among any of Parent and/or its Subsidiaries or transactions between a Non-Recourse Financing Subsidiary and any Person in which the Non-Recourse Financing Subsidiary has an Investment.

Section 6.06 Liens. No Loan Party will, and each Loan Party will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any property or asset that constitutes Collateral except Permitted Liens. No SPV Party will directly or indirectly create, incur, assume or suffer to exist any Lien of any kind on any of its property or assets (including the Collateral) except Permitted Liens.

Section 6.07 Business Activities.

(a) Parent will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses, except to such extent as would not be material to Parent and its Restricted Subsidiaries taken as a whole.

(b) The SPV Parties shall not engage in any business other than Permitted Businesses.

Section 6.08 Liquidity. Parent will not permit the aggregate amount of Liquidity at the close of any Business Day to be less than $2,000,000,000.

Section 6.09 [Reserved].

Section 6.10 Merger, Consolidation, or Sale of Assets.

(a) Neither Parent nor American (whichever is applicable, the "***Subject Company***") shall directly or indirectly: (i) consolidate or merge with or into another Person or (ii) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Subject Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either:

(A) the Subject Company is the surviving corporation; or

(B) the Person formed by or surviving any such consolidation or merger (if other than the Subject Company) or to which such sale, assignment, transfer,

conveyance or other disposition has been made is an entity organized or existing under the laws of the United States, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Subject Company) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Subject Company under the Loan Documents by operation of law (if the surviving Person is the Subject Company) or pursuant to agreements reasonably satisfactory to the Administrative Agent;

(3) immediately after such transaction, no Early Amortization Event or Event of Default exists; and

(4) the Subject Company shall have delivered to the Administrative Agent an Officer's Certificate stating that such consolidation, merger, sale, assignment, transfer, conveyance or other disposition complies with this Agreement.

In addition, a Subject Company will not, directly or indirectly, lease all or substantially all of the properties and assets of such Subject Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to any other Person.

(b) Section 6.10(a) will not apply to any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among Parent and/or its Restricted Subsidiaries that are not SPV Parties.

Clauses (3) and (4) of Section 6.10(a) will not apply to any merger, consolidation or transfer of assets:

(1) between or among Parent and any of Parent's Restricted Subsidiaries that are not SPV Parties;

(2) between or among any of Parent's Restricted Subsidiaries that are not SPV Parties or by a Restricted Subsidiary that is not a Loan Party; or

(3) with or into an Affiliate solely for the purpose of reincorporating a Subject Company in another jurisdiction.

(c) Notwithstanding the foregoing, no SPV Party shall: (i) consolidate or merge with or into another Person, or permit any other Person to merge into or consolidate with it, or (ii) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of its properties, in one or more related transactions, to another Person.

(d) Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of any Subject

Company in a transaction that is subject to, and that complies with the provisions of, Section 6.10(a), the successor Person formed by such consolidation or into or with which such Subject Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Agreement referring to such Subject Company shall refer instead to the successor Person and not to such Subject Company), and may exercise every right and power of such Subject Company under this Agreement with the same effect as if such successor Person had been named as such Subject Company herein; provided, however, that the predecessor Subject Company, if applicable, shall not be relieved from the obligation to pay the principal of, and interest, if any, on the Term Loan except in the case of a sale of all or substantially all of such Subject Company's assets in a transaction that is subject to, and that complies with the provisions of, Section 6.10(a).

Section 6.11 [Reserved].

Section 6.12 Direction of Payment. No Loan Party shall revoke, or permit to be revoked, any Direction of Payment.

Section 6.13 IP Agreements. The Loan Parties shall not terminate, amend, waive, supplement or otherwise modify any IP Agreement or any provision thereof or exercise any right or remedy under or pursuant to or under any IP Agreement, in each case, without the prior written consent of the Required Lenders if such termination, amendment, waiver, supplement or modification or exercise of remedies would reasonably be expected to result in a Material Adverse Effect; *provided* that (i) termination of any IP Agreement or any amendment to the termination provisions thereof, or (ii) any amendment to an IP Agreement that (A) materially and adversely affects rights to the AAdvantage Intellectual Property or rights to use AAdvantage Intellectual Property or in the case of the Contribution Agreements, rights to or rights to use other applicable Collateral, (B) shortens the scheduled term thereof, (C) in the case of any IP License, materially and adversely changes the amount or calculation of the termination payment, or the amount, calculation or rate of fees due and owing thereunder, (D) changes the contractual subordination of payments thereunder in a manner materially adverse to the Lenders, (E) reduces the frequency of payments thereunder to an SPV Party or permits payments due to an SPV Party thereunder to be deposited to an account other than the Collection Account, (F) changes the amendment standards applicable to such IP Agreement (other than changes affecting rights of the Administrative Agent or the Master Collateral Agent to consent to amendments, which is covered by clause (G)) in a manner that would reasonably be expected to result in a Material Adverse Effect or (G) materially impairs the rights of the Administrative Agent or the Master Collateral Agent to enforce or consent to amendments to any provisions thereof in accordance therewith shall, in each case, be deemed to have a Material Adverse Effect.

American shall grant to Loyalty Co a license to the Composite Marks pursuant to and as set forth in the Intercompany Agreement.

Section 6.14 Specified Organization Documents. No Loan Party shall amend, modify or waive any SPV Provision of any Specified Organization Document. No Loan Party shall amend,

modify or waive any other provision of any Specified Organization Document in a manner materially adverse to the Lenders.

SECTION 7.

EVENTS OF DEFAULT AND EARLY AMORTIZATION EVENTS

Section 7.01 Events of Default. In the case of the occurrence of any of the following events and the continuance thereof beyond the applicable grace period if any (each, an "**Event of Default**"):

(a) any representation or warranty made by any Loan Party in this Agreement or in any other Loan Document shall prove to have been false or incorrect in any material respect when made, and such representation or warranty, to the extent capable of being corrected, is not corrected within 30 days after the earlier of (A) a Responsible Officer of American or Loyalty Co obtaining knowledge of such default or (B) receipt by a Borrower of notice from the Administrative Agent of such default; or

(b) default shall be made in the payment of (i) any principal amount of the Term Loans when and as the same shall become due and payable; (ii) any interest on the Term Loans and such default shall continue unremedied for more than 5 Business Days; or (iii) any other amount payable hereunder when due and such default shall continue unremedied for more than 10 Business Days after the earlier of (A) a Responsible Officer of American or Loyalty Co obtaining knowledge of such default or (B) receipt by a Borrower of notice from the Administrative Agent of such default; it being understood that if any default shall be made by any Loan Party in the due observance or performance of the covenants set in Section 5 shall not constitute a default subject to this Section 7.01(b); or

(c) default shall be made by any Loan Party in the due observance of (i) the covenants in Section 5.18, 5.19, 5.20, 5.22 or 6.08 or (ii) the covenant in Section 6.14 and such default shall continue unremedied for more than, in the case of clause (i), 10 Business Days, and in the case of clause (ii), 20 Business Days, after the earlier of (A) a Responsible Officer of American or Loyalty Co obtaining knowledge of such default or (B) receipt by American or Loyalty Co of notice from the Administrative Agent of such default; or

(d) default shall be made by any Loan Party or any Restricted Subsidiary in the due observance or performance of any other covenant, condition or agreement to be observed or performed by it pursuant to the terms of this Agreement or any of the other Loan Documents and such default shall continue unremedied or uncured for more than 30 days (or 135 days in the case of Section 5.17(c) and (d)) after the earlier of (i) a Responsible Officer of American or Loyalty Co obtaining knowledge of such default or (ii) receipt by American or Loyalty Co of notice from the Administrative Agent of such default; *provided* that, if such Person is proceeding with diligence and good faith to cure or remedy such default and such default is susceptible to cure or remedy, such 30 day (or 135 days in the case of Section 5.17(c) and (d)) period shall be extended as may be necessary to cure such failure, such extended period not to exceed 90 days (or 150 days in the case of Section 5.17(c) and (d)) in the aggregate (inclusive of the original 30 day period (or the original

135 day period in the case of Section 5.17(c) and (d)); or

(e) (i) any material provision of any Loan Document to which a Loan Party is a party ceases to be a valid and binding obligation of such Loan Party, or any action shall be taken to discontinue or to assert the invalidity or unenforceability of any Loan Document, (ii) the Lien on any material portion of the Collateral intended to be created by the Collateral Documents shall cease to be or shall not be a valid and perfected (to the extent required hereunder or under such Collateral Documents) Lien having the priorities contemplated thereby (subject to Permitted Liens and except as permitted by the terms of this Agreement or the Collateral Documents or as a result of the action, delay or inaction of the Administrative Agent) or (iii) the guaranty in Section 9.01 hereof shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of such guaranty, or any Guarantor shall fail to comply with any of the terms or provisions of such guaranty, or any Guarantor shall deny that it has any further liability under such guaranty; *provided* that, in each case, unless any Loan Party shall have contested or challenged, other than good faith disputes regarding interpretation of contractual provisions, the validity, perfection or priority of, or attempted to invalidate, such liens or the validity or enforceability of a material provision of any Loan Document or material portion of any Collateral or guaranty document, such breach shall not be an Event of Default unless such breach continues unremedied or uncured for more than 30 Business Days after the earlier of (x) a Responsible Officer of American or Loyalty Co obtaining knowledge of such default or (y) receipt by a Borrower of written notice from the Administrative Agent of such default; or

(f) any SPV Party:

(i) commences a voluntary case or proceeding,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a receiver, trustee, liquidator, provisional liquidator, custodian, conservator or other similar official of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors,

(v) admits in writing its inability generally to, pay its debts as they become due, or

(vi) proposes or passes a resolution for its voluntary winding up or liquidation; or

(g) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against any SPV Party;

(ii) appoints a receiver, trustee, liquidator, provisional liquidator, custodian, conservator or other similar official of any SPV Party or for all or substantially all of the property of any SPV Party;

(iii) commences proceedings for a compromise or arrangement with any SPV Party's creditors (or class or classes of creditors), or

(iv) orders the liquidation of any SPV Party;

and in each case the order or decree remains unstayed and in effect for 60 consecutive days; or

(h) failure by any Loan Party or any of Parent's Restricted Subsidiaries to pay one or more final judgments entered by a court or courts of competent jurisdiction aggregating in excess of $200,000,000 (determined net of amounts covered by insurance policies issued by creditworthy insurance companies or by third party indemnities or a combination thereof), which judgments are not paid, discharged, bonded, vacated, satisfied or stayed for a period of sixty (60) days; or

(i) (i) any of American, Parent, or a Subsidiary Guarantor shall default in the performance of any obligation relating to Material Indebtedness and any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with, and as a result of such default the holder or holders of such Material Indebtedness or any trustee or agent on behalf of such holder or holders caused such Material Indebtedness to become due prior to its scheduled final maturity date or (ii) any of American, Parent or a Subsidiary Guarantor shall default in the payment of the outstanding principal amount due on the scheduled final maturity date of any Indebtedness outstanding under one or more agreements of such Loan Party, any applicable grace periods shall have expired and such failure to make payment when due shall be continuing for a period of more than five (5) consecutive Business Days following the applicable scheduled final maturity date thereunder, in an aggregate principal amount at any time unpaid exceeding $200,000,000; *provided* that such payment default or acceleration resulting from a Parent Bankruptcy Event shall not constitute a default under this Section 7.01(i); or

(j) (i) any SPV Party shall default in the performance of any obligation relating to Material Indebtedness and any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with, and as a result of such default the holder or holders of such Material Indebtedness or any trustee or agent on behalf of such holder or holders shall have caused, or shall be entitled or permit or have the right to cause, such Material Indebtedness to become due prior to its scheduled final maturity date or (ii) any SPV Party shall default in the payment of the outstanding principal amount due on the scheduled final maturity date of any Indebtedness outstanding under one or more agreements of such SPV Party, any applicable grace periods shall have expired following the applicable scheduled final maturity date thereunder, in an aggregate principal amount at any time unpaid exceeding $200,000,000; *provided, further*, that if any such default shall be waived or cured (as evidenced in writing from the applicable holder, agent or trustee) then, to the extent of such waiver or cure, the Event of Default hereunder by reason of such default shall be deemed likewise to have been thereupon

waived or cured; or

(k) a termination of a Plan of American or an ERISA Affiliate pursuant to Section 4042 of ERISA that would reasonably be expected to result in a Material Adverse Effect; or

(l) (i) an exit from, or a termination or cancellation of, the AAdvantage Program or (ii) any termination, expiration or cancellation of (1) the Intercompany Agreement, (2) the American Intercompany Loan, or (3) a Material AAdvantage Agreement for which, solely in the case of clause (3), (other than the Intercompany Agreement) a Permitted Replacement AAdvantage Agreement is not entered into as of the effective date of such termination, expiration or cancellation; or

(m) any Loan Party makes a Material Modification to a Material AAdvantage Agreement or the American Intercompany Loan without the prior written consent of the Master Collateral Agent (acting at the direction of the Required Debtholders); or

(n) any termination or cancellation of any IP License; or

(o) after the occurrence of a Parent Bankruptcy Event, any of the American Case Milestones shall cease to be met or complied with, as applicable; or

(p) a SPV Party Change of Control; or

(q) (i) failure of any SPV Party to maintain at least the Required Number of Independent Directors for more than five (5) consecutive Business Days (or 30 days in the case of such Independent Director's death, disability or resignation, provided that in the case of Loyalty Co, one Independent Director remains at Loyalty Co during such period), (ii) the removal of any Independent Director of any SPV Party without "cause" (as such term is defined in the Specified Organization Documents of such SPV Party) or without giving prior written notice to the Administrative Agent, each as required in the Specified Organization Documents of the related entity, or (iii) an Independent Director of any SPV Party that is not an Approved Independent Director shall be appointed without the consent of the Administrative Agent;

then, and in every such event and at any time thereafter during the continuance of such event, the Administrative Agent shall, at the request of the Required Lenders, by written notice to the Borrowers (with a copy to the Master Collateral Agent, the Collateral Administrator and the Collateral Custodian), take one or more of the following actions, at the same or different times:

A. terminate forthwith the Term Loan Commitments;

B. declare the Term Loans or any portion thereof then-outstanding to be forthwith due and payable, whereupon the principal of the Term Loans and other Obligations and all other liabilities of the Loan Parties accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Loan Parties, anything contained

herein or in any other Loan Document to the contrary notwithstanding;

C. [Reserved];

D. set-off amounts in any accounts (other than accounts pledged to secure other Indebtedness of any Loan Party, Escrow Accounts, Payroll Accounts or other accounts held in trust for an identified beneficiary) maintained with the Administrative Agent, the Collateral Administrator, the Collateral Custodian, the Master Collateral Agent or the Depositary (or any of their respective affiliates) and apply such amounts to the obligations of the Loan Parties hereunder and in the other Loan Documents; and

E. subject to the terms of the Loan Documents, exercise any and all remedies under the Loan Documents and under applicable law available to the Administrative Agent, the Collateral Administrator, the Master Collateral Agent and the Lenders.

In case of any event described in clause (f), (g) or (o) of this Section 7.01, the actions and events described in clauses (A) and (B) above shall be required or taken automatically, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Loan Parties. Subject to the terms of the Collateral Agency and Accounts Agreement, after the occurrence and during the continuance of any Event of Default, any Available Funds and other amounts received, including any amounts realized upon enforcement of any Collateral Documents or any payments, recoveries or distributions received in any proceeding under any Bankruptcy Laws including adequate protection and Chapter 11 plan distributions, to the extent received by the Collateral Administrator from the Master Collateral Agent as the Term Loans' Pro Rata Share thereof shall be applied by the Collateral Administrator as follows:

(i) *first*, (x) ratably, to (i) (so long as Wilmington Trust, National Association should be serving as the Master Collateral Agent and the Depositary, together with any amounts transferred to the Payment Account with respect to such Payment Date to pay such amounts) the Depositary and the Master Collateral Agent, the amount of Fees, costs, expenses, reimbursements and indemnification amounts due and payable to such Agents pursuant to the terms of the Loan Documents and (ii) the Collateral Administrator and the Collateral Custodian, the amount of Fees, costs, expenses, reimbursements and indemnification amounts due and payable to such Persons pursuant to the term of the Loan Documents, and *then* (y) to the Administrative Agent, the amount of Fees, costs, expenses, reimbursements and indemnification amounts due and payable to the Administrative Agent pursuant to the terms of the Loan Documents and *then* (z) ratably, the Term Loans' Pro Rata Share of fees, expenses and other amounts due and owing to any Independent Director of any SPV Party (to the extent not otherwise paid);

(ii) *second*, to the Administrative Agent, on behalf of the Lenders, any due and unpaid interest on the Term Loans;

(iii) *third*, to the Administrative Agent, on behalf of the Lenders in an amount equal to the amount necessary to pay the outstanding principal balance of the Term Loans in full;

(iv) *fourth*, to pay to the Administrative Agent on behalf of the Lenders, any additional Obligations then due and payable, including any Premium;

(v) *fifth*, until all Priority Lien Debt is paid in full, to the Master Collateral Agent to be maintained in the Collection Account or distributed in accordance with the Collateral Agency and Accounts Agreement; and

(vi) *sixth,* all remaining amounts shall be released to or at the direction of Loyalty Co.

Section 7.02 Early Amortization Event. In the case of the happening of any Early Amortization Event, the Administrative Agent may, and at the direction of the Required Lenders shall, by notice to the Borrowers, provide written notice to the Borrowers that an Early Amortization Event has occurred.

SECTION 8. THE AGENTS

Section 8.01 Administration by Agents.

(a) Each of the Lenders hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. Each of the Lenders hereby irrevocably appoints the Master Collateral Agent to act on its behalf as the Master Collateral Agent hereunder and under the Collateral Documents and authorizes the Master Collateral Agent to take such actions on its behalf and to exercise such powers as are delegated to the Master Collateral Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Each of the Lenders hereby irrevocably appoints the Collateral Administrator to act on its behalf as the Collateral Administrator hereunder and authorizes the Collateral Administrator to take such actions on its behalf and to exercise such powers as are delegated to the Collateral Administrator by the terms hereof, together with such actions and powers as are reasonably incidental thereto. The Collateral Administrator shall be the Senior Secured Debt Representative (as defined in the Collateral Agency and Accounts Agreement) on behalf of the Lenders and the other Secured Parties. For any Act of Required Debtholders under the Collateral Agency and Accounts Agreement, the Collateral Administrator shall take instruction from the Administrative Agent (on behalf of the Required Lenders) hereunder (which such instruction shall include a certification by the Administrative Agent as to the aggregate principal amount of the Term Loans represented by such instruction).

(b) Each of the Lenders hereby authorizes the Administrative Agent, the Collateral Administrator and the Master Collateral Agent, as applicable, and in their sole discretion:

(i) to execute (or direct the execution of) any documents or instruments

or take any other actions reasonably requested by the Loan Parties to release a Lien granted to the Master Collateral Agent, for the benefit of the Secured Parties, on any asset that is part of the Collateral of the Loan Parties (A) upon the payment in full of all Obligations (except for contingent obligations in respect of which a claim has not yet been made), (B) that is sold or to be sold or transferred as part of or in connection with any sale or other transfer permitted by the terms of this Agreement or under any other Loan Document to a Person that is not a Loan Party or in connection with the designation of any Restricted Subsidiary as an Unrestricted Subsidiary, (C) if the property subject to such Lien is owned by a Loan Party, upon the release of such Loan Party from its Guarantee otherwise in accordance with the Loan Documents,
(D) as to the extent provided in the Collateral Documents, (E) that constitutes Excluded Property, or (F) if approved, authorized or ratified in writing in accordance with Section 10.08;

(ii) to determine that the cost to either Borrower or any other Grantor, as the case may be, is disproportionate to the benefit to be realized by the Secured Parties by perfecting a Lien in a given asset or group of assets included in the Collateral and that such Borrower or such other Grantor, as the case may be, should not be required to perfect such Lien in favor of the Master Collateral Agent, for the benefit of the Secured Parties;

(iii) to enter into the other Loan Documents on terms acceptable to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent and to perform its respective obligations thereunder;

(iv) to execute any documents or instruments or take any other actions reasonably requested by the Loan Parties to release any Guarantor from the guarantees provided herein pursuant to Section 9.05;

(v) to enter into (or direct the entrance into) any Intercreditor Agreement or intercreditor and/or subordination agreements in accordance herewith, including Section 6.06, on terms reasonably acceptable to the Administrative Agent, and in each case to perform its obligations thereunder and to take such action and to exercise the powers, rights and remedies granted to it thereunder and with respect thereto; and

(vi) to enter into (or direct the entrance into) any other agreements reasonably satisfactory to the Administrative Agent granting Liens to the Master Collateral Agent, for the benefit of the Secured Parties, on any assets of Loyalty Co or any other Grantor to secure the Obligations.

(c) The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions of this Agreement relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (i) be obligated to ascertain, monitor or inquire as to whether any Lender or prospective Lender is a Disqualified Institution or (ii) have any liability

with respect to or arising out of any assignment of Term Loans, or disclosure of confidential information to any Disqualified Institutions.

(d) Concurrently herewith, the Administrative Agent directs the Master Collateral Agent and the Master Collateral Agent is authorized to enter into the Collateral Documents and any other related agreements in the form delivered to the Master Collateral Agent. For the avoidance of doubt, all of the Master Collateral Agent's rights, protections and immunities provided herein shall apply to the Master Collateral Agent for any actions taken or omitted to be taken under the Collateral Documents and any other related agreements in such capacity.

Section 8.02 Rights of Administrative Agent and the Other Agents. Any institution serving as an Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent, and such bank and its respective Affiliates may accept deposits from, lend money to and generally engage in any kind of business with any Loan Party or any Subsidiary or other Affiliate of Parent as if it were not an Agent hereunder. The rights, privileges, protections, indemnities, immunities and benefits given to the Collateral Administrator are extended to, and shall be enforceable by, (i) the Collateral Administrator in each Loan Document and each other document related hereto to which it is a party and (ii) the entity acting as the Collateral Administrator in each of its capacities hereunder and under the other Loan Documents and any related document whether or not specifically set forth therein.

Section 8.03 Liability of Agents.

(a) No Agent shall have any duties or obligations except those expressly set forth herein and in any other applicable Loan Document. Without limiting the generality of the foregoing, (i) no Agent shall be subject to any fiduciary or other implied duties, regardless of whether an Early Amortization Event or an Event of Default has occurred and is continuing, (ii) no Agent shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.08), (iii) except as expressly set forth herein, no Agent shall have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Borrower, Parent or any of Parent's Subsidiaries that is communicated to or obtained by the institution serving as an Agent or any of its Affiliates in any capacity and (iv) no Agent will be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt, any action that may be in violation of the automatic stay under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect. No Agent shall be liable for any action taken or not taken by it with the consent of, or at the request of (i) the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.08) or (ii) in the case of the Collateral Administrator and the Master Collateral Agent, the Administrative Agent, or (B) in the absence of its own gross

negligence or willful misconduct. Neither the Administrative Agent, the Collateral Administrator nor the Master Collateral Agent shall be deemed to have knowledge of any Early Amortization Event, Event of Default or Default unless and until written notice thereof is given to the Administrative Agent, the Collateral Administrator or the Master Collateral Agent, respectively, by, in the case of the Administrative Agent or the Collateral Administrator, any Borrower, Parent or a Lender or, in the case of the Master Collateral Agent, the Administrative Agent, and neither Administrative Agent, the Collateral Administrator nor the Master Collateral Agent shall be responsible for, or have any duty to ascertain or inquire into, (A) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (B) the contents of any certificate, report or other document delivered hereunder or in connection herewith or in connection with any other Loan Document, (C) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or in any other Loan Document or related document, (D) the validity, enforceability, effectiveness, value, sufficiency or genuineness of this Agreement or any other agreement, instrument or document or any Collateral or security interest, or (E) the satisfaction of any condition set forth in Section 4 or elsewhere herein or in any other Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

(b) Each Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. Each Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. Each Agent may consult with legal counsel (who may be counsel for Parent or the Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(c) Each Agent may perform any and all of its duties and exercise its rights and powers by or through any one or more sub-agents appointed by it. Each Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers through its Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of any Agent and any such sub-agent, and shall apply to their respective activities as such Agent. Neither the Master Collateral Agent nor the Collateral Administrator shall be responsible for the acts or omissions of any such sub-agent appointed with due care.

(d) The following additional rights and protections shall be applicable to the Master Collateral Agent and the Collateral Administrator in connection with this Agreement, the other Loan Documents and any related document:

(i) Neither the Master Collateral Agent nor the Collateral Administrator shall have any liability for any action taken, or errors in judgment made, in good faith by it or any of its officers, employees or agents, unless it shall have been negligent in ascertaining the pertinent facts.

(ii) Nothing in this Agreement or any other Loan Document shall

require the Master Collateral Agent or the Collateral Administrator to expend or risk its own funds or otherwise incur any liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder.

(iii) Neither the Master Collateral Agent nor the Collateral Administrator shall be under any obligation to exercise any of the rights or powers vested in it by this Agreement or any other Loan Document at the request or direction of the Administrative Agent or the Lenders, unless such Person shall have offered to the Master Collateral Agent or the Collateral Administrator, as applicable, security or indemnity (satisfactory to the Master Collateral Agent or the Collateral Administrator, as applicable, in its sole and absolute discretion) against the costs, expenses and liabilities which may be incurred by it in compliance with such request or direction.

(iv) Notwithstanding anything to the contrary herein or in any other Transaction Document, neither the Collateral Administrator nor the Master Collateral Agent shall be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument, or document other than this Agreement and any other Loan Document to which it is a party, whether or not an original or a copy of such agreement has been provided to the Collateral Administrator or the Master Collateral Agent, as applicable, and shall not be subject to, or bound by, the terms and provisions of any documents to which it is not a party.

(v) In the event that any Collateral shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the Collateral, each of the Master Collateral Agent and the Collateral Administrator is hereby expressly authorized, each in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders or decrees so entered or issued, or which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction. In the event that the Master Collateral Agent or the Collateral Administrator obeys or complies with any such writ, order or decree it shall not be liable to any of the Loan Parties or to any other Person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

(vi) The Master Collateral Agent and the Collateral Administrator shall be entitled to request and receive written instructions from the Administrative Agent and shall have no responsibility or liability to the Lenders for any losses or damages of any nature that may arise from any action taken or not taken by the Master Collateral Agent or the Collateral Administrator in accordance with the written direction of the Administrative Agent.

(vii) The Master Collateral Agent and the Collateral Administrator may request, rely on and act in accordance with Officer’s Certificates and/or opinions of

counsel, and shall incur no liability and shall be fully protected in acting or refraining from acting in accordance with such Officer's Certificates and opinions of counsel.

(viii) If any conflict, disagreement or dispute arises between, among, or involving any of the parties hereto concerning the meaning or validity of any provision hereunder or concerning any other matter relating to this Agreement or any other Loan Document, or the Master Collateral Agent or the Collateral Administrator is in doubt as to the action to be taken hereunder, the Master Collateral Agent or the Collateral Administrator may, at its option, after sending written notice of the same to the Administrative Agent, refuse to act until such time as it (a) receives a final non-appealable order of a court of competent jurisdiction directing delivery of the Collateral or otherwise regarding such matter or (b) receives a written instruction, executed by each of the parties involved in such disagreement or dispute, in a form reasonably acceptable to the Master Collateral Agent or the Collateral Administrator, as applicable, directing delivery of the Collateral or otherwise regarding such matter. The Master Collateral Agent and the Collateral Administrator will be entitled to act on any such written instruction or final, non-appealable order of a court of competent jurisdiction without further question, inquiry or consent. The Master Collateral Agent and the Collateral Administrator may file an interpleader action in a state or federal court, and upon the filing thereof, the Master Collateral Agent or the Collateral Administrator will be relieved of all liability as to the Collateral and will be entitled to recover reasonable and documented out-of-pocket attorneys' fees, expenses and other costs incurred in commencing and maintaining any such interpleader action.

(ix) Neither the Collateral Administrator nor the Master Collateral Agent shall be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics, pandemics or similar health crises; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

(x) Neither the Master Collateral Agent nor Collateral Administrator shall have any obligation to give, execute, deliver, file, record, authorize or obtain any financing statements, notices, instruments, documents, agreements, consents or other papers as shall be necessary to (i) create, preserve, perfect or validate the security interest granted to the Master Collateral Agent or the Collateral Administrator pursuant to this Agreement or any other Loan Document or any related document or (ii) enable the Master Collateral Agent or the Collateral

Administrator to exercise and enforce its rights under this Agreement or any other Loan Document or any related document with respect to such pledge and security interest.

(xi) For purposes of clarity, but without limiting any rights, protections, immunities or indemnities afforded to the Master Collateral Agent or the Collateral Administrator hereunder (including without limitation in this Section 8) and under the other Loan Documents, phrases such as "satisfactory to the Master Collateral Agent or the Collateral Administrator," "approved by the Master Collateral Agent or the Collateral Administrator," "acceptable to the Master Collateral Agent or the Collateral Administrator," "as determined by the Master Collateral Agent or the Collateral Administrator," "in the Master Collateral Agent's or the Collateral Administrator's discretion," "selected by the Master Collateral Agent or the Collateral Administrator," "elected by the Master Collateral Agent or the Collateral Administrator," "requested by the Master Collateral Agent or the Collateral Administrator," and phrases of similar import that authorize or permit the Master Collateral Agent or the Collateral Administrator to approve, disapprove, determine, act or decline to act in its discretion shall be subject to the Master Collateral Agent or the Collateral Administrator, as applicable, receiving written direction from the Administrative Agent to take such action or to exercise such rights.

(e) Anything herein to the contrary notwithstanding, none of the Sole Structuring Agent, the Joint Lead Arrangers and Bookrunners or the Joint Bookrunners listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender.

Section 8.04 Reimbursement and Indemnification. Each Lender agrees (a) to reimburse on demand the Administrative Agent (and the Collateral Administrator, the Collateral Custodian, the Master Collateral Agent and the Depositary) for such Lender's Aggregate Exposure Percentage of any expenses and fees incurred for the benefit of the Lenders or the Agents under this Agreement and any of the Loan Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders or the Agents, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Loan Parties and (b) to indemnify and hold harmless the Administrative Agent, the Collateral Administrator, the Collateral Custodian and the Master Collateral Agent and any of their Related Parties, on demand, in the amount equal to such Lender's Aggregate Exposure Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Agreement or any of the Loan Documents or any action taken or omitted by it or any of them under this Agreement or any of the Loan Documents to the extent not reimbursed by the Loan Parties (except such as shall result from its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgement).

Section 8.05 Successor Agents.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrowers (with a copy to the Collateral Administrator and the Master Collateral Agent). Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the consent (provided no Event of Default has occurred and is continuing) of the Borrowers (such consent not to be unreasonably withheld or delayed), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders with the consent of the Borrowers (such consent not to be unreasonably withheld or delayed)) (the "**Resignation Effective Date**"), then the retiring Administrative Agent may (but shall not be obligated to), in consultation with the Borrowers, on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. For the avoidance of doubt, whether or not a successor Administrative Agent has been appointed, the retiring Administrative Agent's resignation shall nonetheless become effective in accordance with such notice of resignation on the Resignation Effective Date. With effect from the Resignation Effective Date, (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (b) except for any indemnity payments owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments owed to the retiring Administrative Agent), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article 8 and Section 10.04 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as the Administrative Agent.

(b) The Collateral Administrator may at any time resign at any time upon at least 30 days' prior written notice to the Borrowers and the Administrative Agent; *provided* that, no resignation of the Collateral Administrator will be permitted unless a successor Collateral Administrator has been appointed. Promptly after receipt of notice of the Collateral Administrator's resignation, the Administrative Agent shall promptly appoint a successor Collateral Administrator (which successor Collateral Administrator shall be reasonably acceptable to the Required Lenders and, so long as no Event of Default under Section 7.01(b), (f), (g) or (o) has occurred and is continuing, the Borrowers) by written instrument, copies of which instrument shall be delivered to the Borrowers, the Master Collateral Agent, the resigning Collateral

Administrator and to the successor Collateral Administrator. In the event no successor Collateral Administrator shall have been appointed within 30 days after the giving of notice of such resignation, the Collateral Administrator may petition any court of competent jurisdiction to appoint a successor Collateral Administrator. The Administrative Agent upon at least 30 days' prior written notice to the Collateral Administrator and the Borrowers, may with or without cause remove and discharge the Collateral Administrator or any successor Collateral Administrator thereafter appointed from the performance of its duties under this Agreement. Promptly after giving notice of removal of the Collateral Administrator, the Administrative Agent shall appoint, or petition a court of competent jurisdiction to appoint, a successor Collateral Administrator (which successor Collateral Administrator shall be reasonably acceptable to the Required Lenders and, so long as no Event of Default under Section 7.01(b), (f), (g) or (o) has occurred and is continuing, the Borrowers). Any such appointment shall be accomplished by written instrument and a copy shall be delivered to the Collateral Administrator and the successor Collateral Administrator, the Borrowers and the Master Collateral Agent.

(c) The Master Collateral Agent may resign, and in any such event shall be replaced, in accordance with the terms of the Collateral Agency and Accounts Agreement.

(d) In the event that the Collateral Custodian shall no longer have the deposit rating necessary for the Payment Account and Reserve Account to be Eligible Deposit Accounts, Loyalty Co shall be permitted to and shall promptly, and in any event within 30 days (as such deadline may be extended by the Collateral Administrator (acting at the direction of the Administrative Agent)) of (A) a Responsible Officer of American or Loyalty Co obtaining actual knowledge of such ratings change or (B) receipt by a Borrower of notice from the Administrative Agent of such ratings change, move the Payment Account and the Reserve Account, as applicable, to a depository institution (i) selected by Loyalty Co that that has the deposit rating necessary for the Payment Account and Reserve Account to be Eligible Deposit Accounts or (ii) that is otherwise approved by the Administrative Agent (such approval not to be unreasonably withheld, conditioned, or delayed), and will cause such depositary institution to execute an Account Control Agreement as soon as reasonably practicable thereafter.

Section 8.06 Independent Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, the Collateral Administrator, the Master Collateral Agent or any Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

Section 8.07 Advances and Payments.

(a) On the date of each Term Loan, the Administrative Agent shall be authorized (but not obligated) to advance, for the account of each of the Lenders, the amount of the Term Loan to be made by it in accordance with its Term Loan Commitment hereunder. In such

event, if a Lender has not in fact made its share of the applicable Term Loan available to the Administrative Agent, then the applicable Lender and the Borrowers severally agree to pay to the Administrative Agent forthwith upon written demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrowers to, but excluding, the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrowers, the Interest Rate otherwise applicable to such Term Loan. If such Lender pays such amount to the Administrative Agent, then (x) such amount shall constitute such Lender's Term Loan included in such Term Loan and the Borrowers shall not be obligated to repay such amount pursuant to the preceding sentence if not previously repaid and (y) if such amount was previously repaid by the Borrowers, the Administrative Agent shall promptly make a corresponding amount available to the Borrowers.

(b) Any amounts received by the Administrative Agent in connection with this Agreement (other than amounts to which the Administrative Agent is entitled pursuant to Sections 2.19, 8.04 and 10.04), the application of which is not otherwise provided for in this Agreement, shall be applied in accordance with Section 2.10(b). All amounts to be paid to a Lender by the Administrative Agent shall be credited to that Lender, after collection by the Administrative Agent, in immediately available funds either by wire transfer or deposit in that Lender's correspondent account with the Administrative Agent, as such Lender and the Administrative Agent shall from time to time agree.

Section 8.08 Sharing of Setoffs. Each Lender agrees that, except to the extent this Agreement expressly provides for payments to be allocated to a particular Lender, if it shall, through the exercise either by it or any of its banking Affiliates of a right of banker's lien, setoff or counterclaim against a Borrower or a Guarantor, including, but not limited to, a secured claim under Section 506 of the Bankruptcy Code or other security or interest arising from, or in lieu of, such secured claim and received by such Lender (or any of its banking Affiliates) under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Term Loans as a result of which the unpaid portion of its Term Loans is proportionately less than the unpaid portion of the Term Loans of any other Lender (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Lender a participation in the Term Loans of such other Lender, so that the aggregate unpaid principal amount of each Lender's Term Loans and its participation in Term Loans of the other Lenders shall be in the same proportion to the aggregate unpaid principal amount of all Term Loans then-outstanding as the principal amount of its Term Loans prior to the obtaining of such payment was to the principal amount of all Term Loans outstanding prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Lenders share such payment pro-rata, *provided* that if any such non-pro-rata payment is thereafter recovered or otherwise set aside, such purchase of participations shall be rescinded (without interest). Each Loan Party expressly consents to the foregoing arrangements and agrees, to the fullest extent permitted by law, that any Lender holding (or deemed to be holding) a participation in a Term Loan acquired pursuant to this Section or any of its banking Affiliates may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by a Loan

Party to such Lender as fully as if such Lender was the original obligee thereon, in the amount of such participation. The provisions of this Section 8.08 shall not be construed to apply to (a) any payment made by a Loan Party pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender),
(b) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Term Loans or other Obligations owed to it or (c) any payment made by a Loan Party pursuant to the Fee Letter.

Section 8.09 Withholding Taxes. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any withholding tax applicable to such payment. If the Internal Revenue Service or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold tax from amounts paid to or for the account of any Lender for any reason, or the Administrative Agent has paid over to the Internal Revenue Service applicable withholding tax relating to a payment to a Lender but no deduction has been made from such payment, without duplication of any indemnification obligations set forth in Section 8.04, such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as tax or otherwise, including any penalties or interest and together with any expenses incurred.

Section 8.10 Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrowers, the Agents, and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights, and remedies hereunder may be exercised solely by the Administrative Agent, on behalf of the Secured Parties and all powers, rights, and remedies under the Senior Secured Debt Documents may be exercised solely by the Master Collateral Agent, in each case to the extent permitted by applicable law and in accordance with the terms hereof, the other Loan Documents and the other Senior Secured Debt Documents, and (ii) in the event of a foreclosure by the Master Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Master Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Master Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Master Collateral Agent at such sale or other disposition.

Section 8.11 Intercreditor Agreements Govern. The Administrative Agent and each other Secured Party (a) hereby agrees that it will be bound by and will take no actions contrary to the provisions of any intercreditor agreement entered into pursuant to the terms hereof, (b) hereby authorizes and instructs the Collateral Administrator to enter into each intercreditor agreement (including each Intercreditor Agreement) entered into pursuant to the terms hereof and to subject the Liens securing the Obligations to the provisions thereof and (c) hereby authorizes and instructs

the Collateral Administrator to enter into any intercreditor agreement that includes, or to amend any then existing intercreditor agreement to provide for, the terms described in the definition of "Junior Lien Debt". In the event of any conflict or inconsistency between the provisions of each intercreditor agreement (including any Intercreditor Agreement) and this Agreement, the provisions of such intercreditor agreement shall control in all respects. With respect to any reference in this Agreement to another intercreditor agreement, subordination agreement or arrangement reasonably acceptable to the Administrative Agent and the Borrowers' (or other similar description), Administrative Agent and the Collateral Administrator hereby agree to, and each Secured Party and each Lender hereby directs the Administrative Agent to, negotiate with the Borrowers in good faith and promptly (and in any event not later than ten (10) Business Days following written request by the Borrowers) enter into such other intercreditor or subordination agreement that is reasonably acceptable to the Administrative Agent (such acceptance not to be unreasonably withheld, conditioned, delayed or denied) upon request by the Borrowers.

Each Lender hereby agrees (i) that all Obligations will be and are secured equally and ratably by all Priority Liens (as defined in the Collateral Agency and Accounts Agreement) at any time granted by any Grantor to the Master Collateral Agent to secure any obligations in respect of any other Series of Senior Secured Debt (as defined in the Collateral Agency and Accounts Agreement), whether or not upon property otherwise constituting Collateral, and that all such Priority Liens will be enforceable by the Master Collateral Agent for the benefit of all holders of Senior Secured Debt Obligations (as defined in the Collateral Agency and Accounts Agreement) equally and ratably; and (ii) that each Lender is bound by the provisions of the Collateral Agency and Accounts Agreement, including the provisions relating to the ranking of Priority Liens and the order of application of proceeds from enforcement of Priority Liens; and each Lender consents to the terms of the Collateral Agency and Accounts Agreement and the Master Collateral Agent's performance of, and directing the Master Collateral Agent to perform its obligations under, the Collateral Agency and Accounts Agreement and the other Senior Secured Debt Documents.

Section 8.12 Master Collateral Agent as Beneficiary. Without limitation of the terms of the Collateral Agency and Accounts Agreement, the parties hereto agree that the Master Collateral Agent is a third party beneficiary of Sections 8.02, 8.03 and 8.04, and any other terms hereof which operate to the benefit of the Master Collateral Agent, with full rights to enforce the same and no such term may be amended, modified or waived in any respect that would be materially adverse to the Master Collateral Agent without its written consent.

SECTION 9.

GUARANTY

Section 9.01 Guaranty.

(a) Each of the Guarantors unconditionally and irrevocably guarantees on a senior basis the due and punctual payment by the Borrowers of the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of the obligor whether or not post filing interest is allowed in such proceeding) (collectively, the "**Guaranteed Obligations**"). Each of the Guarantors further agrees that, to the extent permitted by applicable

law, the Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and it will remain bound upon this guaranty notwithstanding any extension or renewal of any of the Obligations. The Obligations of the Guarantors shall be joint and several. Each of the Guarantors further agrees that its guaranty hereunder is a primary obligation of such Guarantor and not merely a contract of surety.

(b) To the extent permitted by applicable law, each of the Guarantors waives presentation to, demand for payment from and protest to the Borrowers or any other Guarantor, and also waives notice of protest for nonpayment. The obligations of the Guarantors hereunder shall not, to the extent permitted by applicable law, be affected by (i) the failure of the Administrative Agent, the Collateral Administrator, the Collateral Custodian, the Master Collateral Agent or a Lender to assert any claim or demand or to enforce any right or remedy against any Loan Party under the provisions of this Agreement or any other Loan Document or otherwise; (ii) any extension or renewal of any provision hereof or thereof; (iii) any rescission, waiver, compromise, acceleration, amendment or modification of any of the terms or provisions of any of the Loan Documents; (iv) the release, exchange, waiver or foreclosure of any security held by the Master Collateral Agent or the Collateral Administrator for the Obligations or any of them;
(v) the failure of the Administrative Agent or a Lender to exercise any right or remedy against any other Guarantor; or (vi) the release or substitution of any Collateral or any other Guarantor.

(c) To the extent permitted by applicable law, each of the Guarantors further agrees that this guaranty constitutes a guaranty of payment when due and not just of collection, and waives any right to require that any resort be had by the Administrative Agent, the Collateral Administrator, the Master Collateral Agent, the Collateral Custodian, the Depositary or a Lender to any security held for payment of the Obligations or to any balance of any deposit, account or credit on the books of the Administrative Agent, the Collateral Administrator, the Collateral Custodian, the Master Collateral Agent or a Lender in favor of any Borrower or any other Guarantor, or to any other Person.

(d) To the extent permitted by applicable law, each of the Guarantors hereby waives any defense that it might have based on a failure to remain informed of the financial condition of the Borrowers and of any other Guarantor and any circumstances affecting the ability of the Borrowers to perform under this Agreement.

(e) To the extent permitted by applicable law, each Guarantor's guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations or any other instrument evidencing any Obligations, or by the existence, validity, enforceability, perfection, or extent of any collateral therefor or by any other circumstance relating to the Obligations which might otherwise constitute a defense to this guaranty (other than payment in full in cash of the Obligations in accordance with the terms of this Agreement (other than those that constitute unasserted contingent indemnification obligations)). None of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent, the Collateral Custodian or any of the Lenders makes any representation or warranty in respect to any such circumstances or shall have any duty or responsibility whatsoever to any Guarantor in respect of the management and maintenance of the Obligations.

(f) Upon the occurrence of the Obligations becoming due and payable (by acceleration or otherwise), the Lenders shall be entitled to immediate payment of such Obligations by the Guarantors upon written demand by the Administrative Agent.

(g) The Guarantors hereby irrevocably agree that the obligations of each Guarantor hereunder are limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions of the Bankruptcy Code.

Section 9.02 No Impairment of Guaranty. To the extent permitted by applicable law, the obligations of the Loan Parties hereunder shall not be subject to any reduction, limitation or impairment for any reason, including, without limitation, any claim of waiver, release, surrender, alteration or compromise, other than pursuant to a written agreement in compliance with Section 10.08 and shall not be subject to any defense or set-off, counterclaim, netting, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations. To the extent permitted by applicable law, without limiting the generality of the foregoing, the obligations of any Loan Party hereunder shall not be discharged or impaired or otherwise affected by the failure of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent, the Collateral Custodian or a Lender to assert any claim or demand or to enforce any remedy under this Agreement or any other agreement, by any waiver or modification of any provision hereof or thereof, by any default, failure or delay, willful or otherwise, in the performance of the Obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of such Loan Party or would otherwise operate as a discharge of such Loan Party as a matter of law.

Section 9.03 Continuation and Reinstatement, Etc. Each Guarantor further agrees that its guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by the Administrative Agent, any Lender or any other Secured Party upon the bankruptcy or reorganization of a Borrower or a Guarantor, or otherwise.

Section 9.04 Subrogation; Fraudulent Conveyance.

(a) Upon payment by any Guarantor of any sums to the Administrative Agent, the Collateral Administrator, the Master Collateral Agent, the Collateral Custodian, the Depositary or a Lender hereunder, all rights of such Guarantor against the Borrowers arising as a result thereof by way of right of subrogation or otherwise, shall in all respects be subordinate and junior in right of payment to the prior payment in full of all the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of an obligor whether or not post filing interest is allowed in such proceeding). If any amount shall be paid to such Guarantor for the account of the Borrowers relating to the Obligations prior to payment in full of the Obligations, such amount shall be held in trust for the benefit of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent, the Collateral Custodian and the Lenders and shall forthwith be paid to the Administrative Agent, the Collateral Administrator, the Master Collateral Agent, the Collateral Custodian, the Depositary and the Lenders to be credited and applied to the Obligations, whether matured or unmatured. Each Loan Party hereby agrees

that (1) (a) all Indebtedness and other payment obligations owed to American, Parent or any Subsidiary Guarantor by Loyalty Co or any other SPV Party shall be subordinate and junior in right of payment to (and not subject to setoff, netting or recoupment prior to) the prior payment in full in cash of all the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of an obligor whether or not post filing interest is allowed in such proceeding); and (b) all Indebtedness and other payment obligations owed to American, Parent or any Subsidiary Guarantor by any other of American, Parent or Subsidiary Guarantor shall be subordinate and junior in right of payment to (and not subject to setoff, netting or recoupment prior to) the prior payment in full in cash of all the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of an obligor whether or not post filing interest is allowed in such proceeding); *provided* that, in the case of each of clauses (a) and (b) above, so long as no Event of Default shall have occurred and be continuing, any payments in respect of such Indebtedness and other payment obligations shall not be prohibited (to the extent not otherwise prohibited under any Loan Document); and (2) all Indebtedness and other payment obligations owed by American or any Guarantor to Loyalty Co or any other SPV Party shall not be subordinated or junior in right of payment to, and shall rank pari passu with, any other senior unsubordinated indebtedness or payment obligations of American or such Guarantor, as applicable. Notwithstanding anything in this paragraph to the contrary, in no event will setoff, recoupment or netting apply with respect to amounts due from any Loan Party to Loyalty Co (or any other SPV Party) pursuant to the Intercompany Agreement, the American Intercompany Note or any IP Agreement or with respect to funds such Loan Party has received pursuant to any AAdvantage Agreement, any Retained Agreement or any American Airline Business Agreement.

(b) Each Guarantor, and by its acceptance of this Agreement, the Master Collateral Agent and each other Secured Party, hereby confirms that it is the intention of all such Persons that this Agreement and the Obligations of each Guarantor hereunder not constitute a fraudulent transfer or conveyance for purposes of the Bankruptcy Code, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to the guaranties hereunder and the Obligations of each Guarantor hereunder. To effectuate the foregoing intention, the Master Collateral Agent, the other Secured Parties and the Guarantors hereby irrevocably agree that the Obligations of each Guarantor under the guaranties hereunder at any time shall be limited to the maximum amount as will result in the Obligations of such Guarantor under this guaranty not constituting a fraudulent transfer or conveyance.

Section 9.05 Discharge of Guaranty.

(a) In the event of any sale or other disposition of all or substantially all of the assets of any Guarantor (other than Parent and any SPV Party), by way of merger, consolidation or otherwise, or a sale or other disposition of all Capital Stock of any Guarantor (other than Parent and any SPV Party), in each case to a Person that is not (either before or after giving effect to such transactions) Parent or a Restricted Subsidiary of Parent or the merger or consolidation of a Guarantor (other than any SPV Party) with or into American or another Guarantor, in each case, in a transaction permitted under this Agreement, then such Guarantor (in the event of a sale or other

disposition, by way of merger, consolidation or otherwise, of all of the Capital Stock of such Guarantor) or the Person acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Guarantor) will be automatically released and relieved of any obligations under its Guarantee of the Guaranteed Obligations.

(b) Upon designation of any Guarantor as an Unrestricted Subsidiary in accordance with the terms of this Agreement, such Guarantor will be automatically released and relieved of any obligations under its Guarantee of the Guaranteed Obligations. In addition, upon the request of American, the guarantee of any Guarantor that is or becomes an Immaterial Subsidiary, a Receivables Subsidiary or an Excluded Subsidiary shall be promptly released; provided that (i) no Event of Default shall have occurred and be continuing or shall result therefrom and (ii) American shall have delivered an Officer's Certificate certifying that such Subsidiary is an Immaterial Subsidiary, a Receivables Subsidiary or an Excluded Subsidiary, as applicable; provided, further that a Subsidiary that is considered not to be an Immaterial Subsidiary solely pursuant to clause (2) of the proviso of the definition thereof shall, solely for purposes of this clause (b), be considered an Immaterial Subsidiary so long as any applicable guarantee, pledge or other obligation of such Subsidiary with respect to any Junior Lien Debt shall be irrevocably released and discharged substantially simultaneously with the release of such guarantee hereunder.

(c) The Administrative Agent shall promptly execute and deliver, at the Borrowers' expense to the extent required by Section 10.04, such documents as any Loan Party may reasonably request to evidence the release of the guaranty of such Guarantor provided herein.

(d) Each Guarantor will be automatically released and relieved of any obligations under its Guarantee of the Guaranteed Obligations upon the first date on which all of the Term Loans and Obligations then due and owing shall have been satisfied by payment in full in cash (other than contingent indemnification obligations) and the Term Loan Commitments shall be terminated.

Section 9.06 Luxembourg Limitations.

(a) Notwithstanding any provision to the contrary in this Agreement, the liability of any Luxembourg Guarantor under this Section 9 for the obligations of any Loan Party which is not a direct or indirect subsidiary of that Luxembourg Guarantor, may not exceed, in aggregate, the Maximum Amount.

(b) For the purposes of paragraph (a) above, the "**Maximum Amount**", in relation to a Luxembourg Guarantor, means an amount equal to the aggregate (without double counting) of:

(i) the aggregate amount of any intercompany or shareholder funding (in any form whatsoever) made available to that Luxembourg Guarantor or any of its direct or indirect subsidiaries by any other Loan Party which has been directly or indirectly funded by a borrowing under this Agreement; and

(ii) an amount equal to the greater of:

(1) ninety-five per cent (95%) of the sum of (i) such Luxembourg Guarantor's own funds (*capitaux propres*) (as referred to in Annex I to the Grand-Ducal Regulation dated December 18, 2015 setting out the form and content of the presentation of the balance sheet and profit and loss account, enforcing the Luxembourg act of December 19, 2002 on the trade and companies register and the accounting and annual accounts of undertakings, as amended) (the "**Own Funds**") and (ii) such Luxembourg Guarantor's debt which is subordinated in right of payment (whether generally or specifically) to any claim of any Loan Party under any of the Loan Documents (the "**Subordinated Debt**"), in each case as determined on the basis of the then latest available annual accounts of the Luxembourg Guarantor duly established in accordance with applicable accounting rules, as at the date of this Agreement; and

(2) ninety-five per cent (95%) of the sum of (i) the Own Funds and (ii) the Subordinated Debt, in each case as determined on the basis of the then latest available annual accounts of the Luxembourg Guarantor duly established in accordance with applicable accounting rules), as at the date on which a claim under such Luxembourg Guarantor's guarantee under this Section 9 is made.

(c) The limitations set forth in this Section 9.06 shall not apply to any Collateral Document, or any recoveries derived from the enforcement of a Secured Party's rights under or in respect of any Collateral.

SECTION 10.

MISCELLANEOUS

Section 10.01 Notices.

(a) Subject to paragraph (b) below, all notices and other communications provided for herein or under any other Loan Document shall be in writing (including by facsimile or electronic mail), and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by electronic mail or telecopy, as follows:

(i) if to any Loan Party, to it at:

c/o American Airlines, Inc.
1 Skyview Drive, MD 8B361 Fort Worth, Texas, 76155 Attn: Treasurer

Fax No.: +1 (682) 275-9164
Email: Debt.lease.admin@aa.com,

with copies (which shall not constitute notice) to: Latham & Watkins LLP

140 Scott Drive
Menlo Park, CA 94025 Attn: Tony Richmond
Email: tony.richmond@lw.com;

(ii) if to the Administrative Agent, (A) with respect to any notice provided under Section 2, to it at: 400 Jefferson Park, Whippany, NJ 07981, Attn.: Arelis Cepeda, email: 12145455230@tls.ldsprod.com, Telephone No.: +1 (201) 499-0297 and (B) with respect to any other notice, to it at: 745 Seventh Avenue, New York, NY 10001, Attn: Charlie Goetz, email:Charlie.goetz@barclays.com, Telephone No.: +1 (212) 526-4454;

(iii) if to the Collateral Administrator or the Collateral Custodian, to it at Wilmington Trust National Association, 1100 North Market Street, Wilmington, DE 19890, Attention of: Adam Vogelsong, Telephone No.: 302-636-6472, email: avogelsong@wilmingtontrust.com; and

(iv) if to any Lender, to it at its address (or telecopy number) set forth in,
(A) in the case of each initial Lender, in its administrative questionnaire in a form as the Administrative Agent may require and
(B) in the case of any other Lender, its Assignment and Acceptance.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrowers may, in their reasonable discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications; *provided further* that no such approval shall be required for any notice delivered to the Administrative Agent by electronic mail pursuant to Section 2.13(a).

(c) Any party hereto may change its address, telecopy number or e-mail address for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 10.02 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the

benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) no Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by a Loan Party without such consent shall be null and void), *provided* that the foregoing shall not restrict any transaction permitted by Section 6.10, and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 10.02. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (d) of this Section 10.02) and, to the extent expressly contemplated hereby, the Related Parties of the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian, the Depositary and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement; *provided further* that the Collateral Custodian, Master Collateral Agent and the Depositary shall be express third party beneficiaries of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender, in the ordinary course of business and in accordance with applicable law, may assign to one or more assignees (other than to any Defaulting Lender, Disqualified Institution or natural person) all or a portion of its rights and obligations under this Agreement (including all or a portion of the Term Loans at the time owing to it), pursuant to an Assignment and Acceptance with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Administrative Agent; *provided* that no consent of the Administrative Agent shall be required for an assignment (I) if the assignee is a Lender, an Affiliate of a Lender or an Approved Fund of a Lender, in each case so long as such assignee is an Eligible Assignee, (II) of Term Loans to the Borrowers pursuant to Section 10.02(g) and (III) of Term Loans made pursuant to Section 2.18(b) or 2.26(a); and

(B) the Borrowers; *provided* that no consent of the Borrowers shall be required for an assignment (I) other than with respect to an assignment to any Defaulting Lender, Disqualified Institution or natural person, if an Event of Default under Section 7.01(b), 7.01(f), 7.01(g) or 7.01(o) has occurred and is continuing,
(II) if the assignee is a Lender, an Affiliate of a Lender or an Approved Fund of a Lender or (III) of Term Loans by any of the Joint Lead Arrangers and Bookrunners or any of its Affiliates as part of the primary syndication of the Term Loans (as determined by the Joint Lead Arrangers and Bookrunners) as previously consented to in writing (including by email) by the Borrowers, in each case so long as such assignee is an Eligible Assignee; *provided*, *further* that the Borrowers' consent to any assignment of Term Loans will be deemed given with respect to a proposed assignment if no response is received within ten (10) Business Days after having received a

written request from such Lender pursuant to this Section 10.02(b)(i)(B);

(ii) Assignments shall be subject to the following additional conditions:

(A) any assignment of any portion of the Term Loan Commitment and Term Loans shall be made to an Eligible Assignee;

(B) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund of a Lender or an assignment of the entire remaining amount of the assigning Lender's Term Loan Commitments or Term Loans, the amount of such Term Loan Commitments or Term Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000, and after giving effect to such assignment, the portion of the Term Loan or Term Loan Commitment held by the assigning Lender of the same tranche as the assigned portion of the Term Loan or Term Loan Commitment shall not be less than $5,000,000, in each case, unless the Borrowers and the Administrative Agent otherwise consent; *provided*, that no consent of a Borrower shall be required with respect to such assignment if an Event of Default has occurred and is continuing; *provided further*, that any such assignment shall be in increments of $500,000 in excess of the minimum amount described above;

(C) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(D) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of $3,500 (unless waived by the Administrative Agent in any given case) for the account of the Administrative Agent (except in the case of assignments made by or to Barclays Bank PLC, Goldman Sachs Lending Partners LLC or any of their respective affiliates);

(E) the assignee, if it was not a Lender immediately prior to such assignment, shall deliver to the Administrative Agent an administrative questionnaire in a form as the Administrative Agent may require; and

(F) notwithstanding anything to the contrary herein, any assignment of any Term Loans to the Borrowers shall be subject to

the requirements of Section 10.02(g).

For the purposes of this Section 10.02(b), the term "**Approved Fund**" shall mean, with respect to any Lender, any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of business and that is administered or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of an entity that administers or manages such Lender. Notwithstanding the foregoing, no Lender shall be permitted to make assignments under this Agreement to any Defaulting Lender, Disqualified Institution or natural person and any such assignment shall be void ab initio, except to the extent the Borrowers and the Administrative Agent have consented to such assignment in writing (in which case such Lender will not be considered a Defaulting Lender, Disqualified Institution or natural person solely for that particular assignment).

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 10.02, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.14, 2.16 and 10.04). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.02 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section 10.02.

(iv) The Administrative Agent shall maintain at its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and principal amount (and stated interest) of the Term Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Loan Parties, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by any Borrower and any Lender (only with respect to such Lender's Term Loans), at any reasonable time and from time to time upon reasonable prior notice.

(v) Notwithstanding anything to the contrary contained herein no assignment may be made hereunder to any Defaulting Lender, Disqualified Institution or natural person or any of their respective subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (v). Any assignment by a Lender to any of the

foregoing Persons described in this clause (v) shall be deemed null and void *ab initio* and the Register shall be modified to reflect a reversal of such assignment, and the Borrowers shall be entitled to pursue any remedy available to it (whether at law or in equity, including specific performance to unwind such assignment) against the Lender and such Person.

(vi) In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment will be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrowers and the Administrative Agent, the applicable pro rata share of Term Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Borrowers, Administrative Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Term Loans in accordance with its Aggregate Exposure Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder becomes effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest will be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(c) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed administrative questionnaire in a form as the Administrative Agent may require (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b) of this Section 10.02 and any written consent to such assignment required by clause (b) of this Section 10.02, the Administrative Agent shall accept such Assignment and Acceptance and record the information contained therein in the Register; *provided* that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.04, 8.04 or 10.04(d), the Administrative Agent shall have no obligation to accept such Assignment and Acceptance and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (c).

(d) (i) Any Lender may, without the consent of the Borrowers or the Administrative Agent, sell participations (other than to any Defaulting Lender, Disqualified Institution or natural person) to one or more banks or other entities (a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Term Loan Commitment and the Term Loans owing to it); *provided* that (A) such Lender's

obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (C) such Lender shall remain the holder of any such Term Loan for all purposes under this Agreement and the other Loan Documents and (D) the Borrowers, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 10.08(a) that affects such Participant. Subject to Section 10.02(d)(ii), the Borrowers agree that each Participant shall be entitled to the benefits of (and the obligations under) Sections 2.14 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.02(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 8.08 as though it were a Lender, *provided* such Participant agrees to be subject to the requirements of Section 8.08 as though it were a Lender. Each Lender that sells a participation, acting solely for this purpose as a non-fiduciary agent of the Borrowers, shall maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Term Loans or other obligations under this Agreement (the "**Participant Register**"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Term Loan Commitments, Term Loans or its other obligations under this Agreement or any Loan Document) except to the extent that such disclosure is necessary to establish that such Term Loan Commitment, Term Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender, the Loan Parties and the Administrative Agent shall treat each Person whose name is recorded in the Participant Register pursuant to the terms hereof as the owner of such participation for all purposes of this Agreement, notwithstanding notice to the contrary. Notwithstanding the foregoing, no Lender shall be permitted to sell participations under this Agreement to any Defaulting Lender, Disqualified Institution or natural person and any such participation shall be void ab initio, except to the extent that the Borrower has consented to such participation in writing (in which case such Lender will not be considered a Defaulting Lender, Disqualified Institution or natural person solely for that particular participation). Any attempted participation which does not comply with Section 10.02 shall be null and void. A Participant shall not be entitled to receive any greater payment under Section 2.14 or 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant and shall be subject to the terms of Section 2.18(a). The Lender selling the participation to such Participant shall be subject to the terms of Section 2.18(b) if such Participant requests compensation or additional amounts pursuant to Section 2.14 or 2.16. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.16 unless such Participant agrees, for the benefit of the Borrowers, to comply with Section 2.16(f) as though it were a Lender.

(e) Any Lender may at any time pledge or assign a security interest in all or any

portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Lender, and this Section 10.02 shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.02, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Loan Parties furnished to such Lender by or on behalf of any Loan Party; *provided* that prior to any such disclosure, each such assignee or participant or proposed assignee or participant provides to the Administrative Agent its agreement in writing to be bound for the benefit of the Borrowers by either the provisions of Section 10.03 or other provisions at least as restrictive as Section 10.03.

(g) Notwithstanding anything to the contrary contained in this Agreement, any Lender may assign all or a portion of its Term Loans in accordance with Section 10.02(b) pursuant to a Dutch Auction or open market purchase by any Borrower; *provided* that:

(i) the assigning Lender and such Borrower purchasing such Lender's Term Loans, as applicable, shall execute and deliver to the Administrative Agent an Assignment and Acceptance;

(ii) any Term Loans assigned to such Borrower shall be automatically and permanently cancelled upon the effectiveness of such assignment and will thereafter no longer be outstanding for any purpose hereunder;

(iii) no Event of Default has occurred or is continuing; and

(iv) the assignment to such Borrower and cancellation of Term Loans shall not constitute a mandatory or voluntary payment for purposes of Section 2.12 or 2.13 and shall not be subject to Section 8.08, but the aggregate outstanding principal amount of the Term Loans shall be deemed reduced by the full par value of the aggregate principal amount of the Term Loans purchased pursuant to this Section 10.02(g), and each principal repayment installment with respect to the Term Loans of such Class shall be reduced pro rata by the aggregate principal amount of Term Loans of such Class purchased hereunder.

Each Lender making an assignment to a Borrower acknowledges and agrees that in connection with such assignment, (1) such Borrower then may have, and later may come into possession of, information regarding the Term Loans or the Loan Parties that is not known to such Lender and that may be material to a decision by such Lender to assign the Term Loans ("**Excluded Information**"), (2) such Lender has independently and, without reliance on the Borrowers, the Administrative Agent or any of their respective Affiliates, made its own analysis and determination to enter into such assignment notwithstanding such Lender's lack of knowledge of the Excluded Information and (3) none of the Borrowers, the Administrative Agent, or any of

their respective Affiliates shall have any liability to such Lender, and such Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against the Borrowers, the Administrative Agent, and their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. Each Lender entering into such an assignment further acknowledges that the Excluded Information may not be available to the Administrative Agent or the other Lenders.

(h) No assignment or participation made or purported to be made to any assignee or Participant shall be effective without the prior written consent of a Borrower if it would require such Borrower to make any filing with any Governmental Authority or qualify any Term Loan under the laws of any jurisdiction, and such Borrower shall be entitled to request and receive such information and assurances as it may reasonably request from any Lender or any assignee or Participant to determine whether any such filing or qualification is required or whether any assignment or participation is otherwise in accordance with applicable law.

(i) In connection with any replacement of a Lender pursuant to Section 2.18, 2.26(a), 10.08(d) or other provision hereof (collectively, a "**Replaceable Lender**"), if any such Replaceable Lender does not execute and deliver to the Administrative Agent a duly executed Assignment and Acceptance reflecting such replacement within one (1) Business Day of the date on which the assignee Lender executes and delivers such Assignment and Acceptance to such Replaceable Lender, then such Replaceable Lender shall be deemed to have executed and delivered such Assignment and Acceptance without any action on the part of the Replaceable Lender.

Section 10.03 Confidentiality. Each Lender and each Agent agrees to keep any information delivered or made available by (or on behalf of) any Loan Party to it confidential, in accordance with its customary procedures, from anyone other than Persons employed or retained by such Lender, Agent or their respective Affiliates who are or are expected to become engaged in evaluating, approving, structuring, insuring or administering the Term Loans, and who are advised by such Lender or Agent of the confidential nature of such information; *provided* that nothing herein shall prevent any Lender or Agent from disclosing such information (a) to any of its Affiliates and its and their respective agents, directors and advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential) or to any other Lender (*provided* that such Lender shall be responsible for such recipient's compliance with this Section 10.03), (b) upon the order of any court or administrative agency, (c) upon the request or demand of any regulatory agency or authority (including any self-regulatory authority), (d) which has been publicly disclosed other than as a result of a disclosure by any Agent or any Lender which is not permitted by this Agreement or other confidentiality obligations owed to Parent or any of its Subsidiaries, (e) in connection with any litigation to which any Agent, any Lender, or their respective Affiliates may be a party to the extent reasonably required under applicable rules of discovery, (f) to the extent reasonably required in connection with the exercise of any remedy hereunder or under any other Senior Secured Debt Document, (g) to such Lender's or Agent's legal counsel, independent auditors, accountants and other professional advisors, (h) on a confidential basis to (I) any Rating Agency in connection with rating Parent and its Subsidiaries or

any Facility, (II) any direct or indirect provider of credit protection to such Lender or its Affiliates (or its brokers) (other than a Disqualified Institution or any other Person to whom the Borrowers have refused to consent to an assignment) (*provided* that such Lender shall be responsible for such recipient's compliance with this Section 10.03) and (III) market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders after the Closing Date and in connection with the administration and management of the Facility (*provided* that such information is limited to the existence of this Agreement and information about the Facility that is customarily shared for facilities of this type), (i) with the prior consent of the Borrowers, (j) to any actual or proposed participant or assignee of all or part of its rights hereunder (other than a Disqualified Institution or any other Person to whom the Borrowers have refused to consent to an assignment) or to any direct or indirect contractual counterparty (or the legal counsel, independent auditors, accountants and other professional advisors thereto) to any swap or derivative transaction relating to the Borrowers and their obligations, in each case, subject to the proviso in Section 10.02(f) (with any reference to any assignee or participant set forth in such proviso being deemed to include a reference to such contractual counterparty for purposes of this Section 10.03(j)), (k) to the extent that such information is received by such Lender or Agent from a third party that is not, to such Lender's or Agent's knowledge, subject to confidentiality obligations to a Borrower or any of its Affiliates, (l) to the extent that such information is independently developed by such Lender or Agent and (m) to the extent required, or otherwise contemplated, by this Agreement or any other Senior Secured Debt Document. If any Lender or Agent is in any manner requested or required to disclose any of the information delivered or made available to it by any Loan Party under clauses (b) or (e) of this Section 10.03, such Lender or Agent will, to the extent permitted by law, provide the Loan Parties with prompt notice, to the extent reasonable, so that the Loan Parties may seek, at their sole expense, a protective order or other appropriate remedy or may waive compliance with this Section 10.03.

Section 10.04 Expenses; Indemnity; Damage Waiver.

(a) (i) The Borrowers shall, jointly and severally, pay or reimburse:

(1) all reasonable fees and reasonable and documented out-of-pocket expenses of the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian, the Depositary, the Sole Structuring Agent and the Joint Lead Arrangers and Bookrunners (in the case of legal counsel and other advisors, limited to the reasonable fees, disbursements and other charges of (i) Milbank LLP, special counsel to the Administrative Agent, (ii) Seward & Kissel LLP, special counsel to the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and the Depositary, (iii) local counsel in each material jurisdiction and (iv) other advisors that are approved by the Borrowers so long as no Event of Default has occurred or is continuing) associated with the syndication of the Facility and the preparation, execution, delivery and administration of the Loan Documents and the performance of its duties hereunder and thereunder and (in the case of the Administrative Agent) any amendments, modifications or waivers of

the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), including the reasonable fees and out-of-pocket, documented expenses of one outside counsel for the Administrative Agent with respect thereto and one outside counsel for the Master Collateral Agent, the Collateral Administrator, the Depositary and the Collateral Custodian collectively, and with respect to advising the Administrative Agent as to its rights and remedies under this Agreement (and, in the case of an actual or perceived conflict of interest or potential conflict of interest no more than the number of additional law firms as counsel for the various parties as is necessary to avoid any such actual or potential conflict of interest);

(2) in connection with any enforcement of the Loan Documents, all reasonable and documented fees and out-of-pocket expenses of the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian the Depositary and the Lenders (limited to the reasonable fees, disbursements and other charges of (x) in the case of legal counsel, one outside counsel for the Administrative Agent, and one outside counsel for the Lenders, collectively, and one outside counsel for the Master Collateral Agent, the Collateral Custodian and the Collateral Administrator, collectively, and if necessary regulatory and local counsel in each material jurisdiction and, in the case of an actual or perceived conflict of interest or potential conflict of interest no more than the number of additional law firms as counsel for the various parties as is necessary to avoid any such actual or potential conflict of interest and (y) other advisors);

(3) all reasonable, documented, out-of-pocket costs, expenses, taxes, assessments and other charges (including the reasonable fees, disbursements and other charges of counsel for the Administrative Agent, the Master Collateral Agent, the Collateral Custodian and the Collateral Administrator) incurred by the Administrative Agent, the Master Collateral Agent, Collateral Custodian and the Collateral Administrator in connection with any filing, registration, recording or perfection of any security interest contemplated by any Loan Document or incurred in connection with any release or addition of Collateral after the Closing Date; and

(4) all costs and expenses related to acquiring the ratings of the Term Loans from the Rating Agencies, including any monitoring fees of the Rating Agencies in respect of the rating of the Term Loans.

(ii) All payments or reimbursements pursuant to the foregoing clause (a)(i) shall be paid within thirty (30) days of written demand together with back-up documentation supporting such reimbursement request.

(b) The Borrowers shall, jointly and severally, indemnify each Agent, the Sole

Structuring Agent, each Joint Lead Arranger and Bookrunner and each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (limited in the case of legal fees and expenses, to one (1) outside counsel (and, if necessary, one regulatory counsel and one firm of local counsel in each appropriate jurisdiction) to all Indemnitees, taken as a whole (and, in the case of an actual or perceived conflict of interest, an additional counsel to all such similarly situated affected Indemnitees)) arising out of, in connection with, or as a result of any actual or prospective claim, litigation, investigation or proceeding (including any investigating, preparing for or defending any such claims, actions, suits, investigations or proceedings, whether or not in connection with pending or threatened litigation in which such Indemnitee is a party), whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto and whether or not any such claim, litigation, investigation or proceeding is brought by any Borrower, its equity holders, its Affiliates, its creditors or any other Person, relating to (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Term Loan or the use of the proceeds therefrom, or (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by Parent or any of its Subsidiaries, or any Environmental Liability related in any way to, or asserted against, Parent or any of its Subsidiaries; provided that the foregoing indemnity will not, as to any Indemnitee (or any of its Related Parties), be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the bad faith, gross negligence or willful misconduct of, or material breach of any Loan Document by, such Indemnitee (or of any of its Related Parties), and in such case such Indemnitee (and its Related Parties) shall repay the applicable Borrower the amount of any expenses previously reimbursed by such Borrower in connection with any such loss, claims, damages, expenses or liability to such Indemnitee and, to the extent not repaid by any of them, such Indemnitee's Related Parties not a party to this Agreement or (y) result from any proceeding between or among Indemnitees that does not involve an action or omission by any Borrower or its Affiliates (other than claims against any Indemnitee in its capacity or in fulfilling its role as an Agent, trustee, Sole Structuring Agent, Joint Lead Arranger and Bookrunner or any other similar role under the Facility (excluding its role as a Lender)). This Section 10.04(b) shall not apply with respect to Taxes other than Taxes that represent losses or damages arising from any non-Tax claim. Neither the Borrowers nor any Indemnitee shall be liable for any indirect, special, punitive or consequential damages hereunder; provided that nothing contained in this sentence shall limit any Borrower's indemnity or reimbursement obligations under this Section 10.04 to the extent such indirect, special, punitive or consequential damages are included in any third party claim in connection with which such Indemnitee is entitled to indemnification hereunder.

(c) In case any action or proceeding shall be brought or asserted against an Indemnitee in respect of which indemnity may be sought against the Borrowers under the provisions of any Loan Document, such Indemnitee shall promptly notify the Borrowers in writing and the Borrowers shall, if the Borrowers desire to do so, assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnitee but only if (i) no Event of

Default shall have occurred and be continuing, (ii) such action or proceeding does not involve any risk of criminal liability or material risk of material civil money penalties being imposed on such Indemnitee and (iii) the Indemnitees do not notify the Borrowers in writing that they elect to employ separate counsel at the expense of the Borrowers in accordance with the below. The Borrowers shall not enter into any settlement of any action or proceeding unless such settlement
(x) includes an unconditional release of such Indemnitees from all liability or claims that are the subject matter of such action or proceeding and (y) does not include any statement as to fault or culpability. The failure to so notify the Borrowers shall not affect any obligations the Borrowers may have to such Indemnitee under the Loan Documents or otherwise other than to the extent that the Borrowers are materially adversely affected by such failure. The Indemnitees shall have the right to employ separate counsel in such action or proceeding and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnitees unless: (i) the Borrowers have agreed to pay such fees and expenses, (ii) the Borrowers have failed to assume the defense of such action or proceeding and employ counsel reasonably satisfactory to the Indemnitees or (iii) the Indemnitees shall have been advised in writing by counsel that under prevailing ethical standards there may be a conflict between the positions of any Borrower and the Indemnitees in conducting the defense of such action or proceeding or that there may be legal defenses available to the Indemnitees different from or in addition to those available to the Borrowers, in which case, if the Indemnitees notify the Borrowers in writing that they elect to employ separate counsel at the expense of the Borrowers, the Borrowers shall not have the right to assume the defense of such action or proceeding on behalf of the Indemnitees; provided, however, that the Borrowers shall not, in connection with any one such action or proceeding or separate but substantially similar or related actions or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be responsible hereunder for the reasonable fees and expenses of more than one such firm of separate counsel for the Master Collateral Agent, the Collateral Administrator and the Collateral Custodian, on the one hand, and the Administrative Agent and the Lenders, on the other hand, in addition to any regulatory counsel and any local counsel. The Borrowers shall not be liable for any settlement of any such action or proceeding effected without the written consent of the Borrowers (which shall not be unreasonably withheld or delayed).

(d) To the extent that the Borrowers fail to pay any amount required to be paid by it to the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or the Collateral Custodian under paragraph (a), (b) or (c) of this Section 10.04, each Lender severally agrees to pay to the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or the Collateral Custodian such portion of the unpaid amount equal to such Lender's Aggregate Exposure Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought); *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or the Collateral Custodian in its capacity as such.

(e) To the extent permitted by applicable law, each party hereto shall not assert, and hereby waives, any claim against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of,

in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions or any Term Loan or the use of the proceeds thereof; *provided* that nothing in this clause (e) shall relieve any party of any obligation it may have to indemnify an Indemnitee against special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

Section 10.05 Governing Law; Jurisdiction; Consent to Service of Process.

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York sitting in New York County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall, to the extent permitted by law, be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 10.05(b). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 10.06 No Waiver. No failure on the part of any Agent or any of the Lenders to exercise, and no delay in exercising, any right, power or remedy hereunder or any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

Section 10.07 Extension of Maturity. Should any payment of principal of or interest or any other amount due hereunder become due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, in the case of principal, interest shall be payable thereon at the rate herein specified during such extension.

Section 10.08 Amendments, Etc.

(a) Except as set forth in Sections 2.09 and Section 2.27 or as otherwise set forth in this Agreement, no modification, amendment or waiver of any provision of this Agreement or any Collateral Document (other than any Account Control Agreement, the Security Agreement and the American Security Agreement, each of which may be amended in accordance with its terms), and no consent to any departure by any Loan Party therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrowers and the Required Lenders (or signed by the Administrative Agent or the Collateral Administrator with the consent of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given; *provided*, *however*, that no such modification or amendment shall without the prior consent of:

(i) each Lender directly and adversely affected thereby (A) increase the Term Loan Commitment of such Lender or extend the termination date of the Term Loan Commitment of such Lender (it being understood that a waiver of any Default, Event of Default or mandatory repayment required under this Agreement shall not constitute an increase in or extension of the termination date of the Term Loan Commitment of a Lender), (B) reduce the principal amount or premium, if any, of any Term Loan, or the rate of interest payable thereon (*provided* that only the consent of the Required Lenders shall be necessary for a waiver of Default Interest referred to in Section 2.08) or (C) extend any scheduled date for the payment of principal, interest or Fees hereunder or to reduce such percentage of any Fees payable hereunder or extend the scheduled final maturity of the Borrowers' obligations hereunder;

(ii) all of the Lenders (A) amend or modify any provision of this Agreement which provides for the unanimous consent or approval of the Lenders to reduce such percentage or (B) release all or substantially all of the Liens granted to the Master Collateral Agent or the Collateral Administrator hereunder or under any other Collateral Document (except to the extent contemplated hereby or by the terms of a Collateral Document), or release all or substantially all of the Guarantors (except to the extent contemplated by Section 9.05);

(iii) the Lenders holding at least 66.67% of the total Term Loan Commitments and/or applicable Term Loans (A) for the release of liens on Collateral (other than as permitted hereunder or under any Loan Document), (B) to release any guarantees of this Facility (other than as permitted hereunder or under any Loan Document), (C) to amend, waive or otherwise modify Section 6.14, or (D) for any shortening or subordinating of term or reduction in liquidated damages under any IP License;

(iv) in connection with an amendment expressly permitted hereunder that addresses solely a repricing transaction in which any Class of Term Loan Commitments and/or Term Loans is refinanced with a replacement Class of Term Loan Commitments and/or Term Loans bearing (or is modified in such a manner

such that the resulting Term Loan Commitments and/or Term Loans bear) a lower effective yield, any Lender holding Term Loan Commitments and/or Term Loans subject to such permitted repricing transaction that will continue as a Lender in respect of the repriced Class of Term Loan Commitments and/or Term Loans or modified Class of Term Loan Commitments and/or Term Loans;

(v) the applicable Required Class Lenders in connection with an amendment to Section 2.10, Section 2.17 or the last paragraph of Section 7.01 that directly and materially adversely affect the rights of Lenders holding Term Loan Commitments or Term Loans of one Class differently from the rights of Lenders holding Term Loan Commitments or Term Loans of any other Class;

(vi) all Lenders under any Class, change the application of prepayments as among or between Classes under Section 2.12 which is being allocated a lesser repayment or prepayment as a result thereof (it being understood that if additional Classes of Term Loans or additional Term Loans under this Agreement consented to by the Required Lenders or additional Term Loans permitted hereby are made, such new Term Loans may be included on a pro rata basis in the various prepayments required pursuant to Section 2.12); and

(vii) all Lenders, reduce the percentage specified in the definition of "Required Lenders" or "Required Class Lenders" or otherwise amend this Section 10.08 in a manner that has the effect of changing the number or percentage of Lenders that must approve any modification, amendment, waiver or consent;

provided, *further*, that any Collateral Document may be amended, supplemented or otherwise modified with the consent of the applicable Grantor and the Master Collateral Agent or Collateral Administrator, as applicable, (i) to add assets (or categories of assets) to the Collateral covered by such Collateral Document or (ii) to remove any asset or type or category of asset (including after-acquired assets of that type or category) from the Collateral covered by such Collateral Document to the extent being or having been sold or transferred to the extent the release thereof is permitted by the Loan Documents.

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon the Borrowers, the other Loan Parties, such Lenders, the Administrative Agent, the Master Collateral Agent, the Collateral Administrator and all future holders of the affected Term Loans. In the case of any waiver, the Borrowers, the other Loan Parties, the Lenders, the Administrative Agent, the Master Collateral Agent and the Collateral Administrator shall be restored to their former positions and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender.

In addition, notwithstanding the foregoing, this Agreement (and, as appropriate, the other Loan Documents) may be amended with the written consent of the Administrative Agent (not to be unreasonably withheld or delayed), the Borrowers and the Lenders providing the relevant Replacement Term Loans as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrowers (x) to permit the refinancing, replacement or modification of all outstanding Term Loans of any Class ("**Refinanced Term Loans**") with a replacement term loan tranche ("**Replacement Term Loans**") hereunder and (y) to include appropriately the Lenders holding such credit facilities in any determination of Required Lenders; *provided* that (a) the aggregate principal amount of such Replacement Term Loans shall not exceed the aggregate principal amount of such Refinanced Term Loans (plus an amount equal to all accrued but unpaid interest, fees, premiums, and expenses incurred in connection therewith (including original issue discount, upfront fees and similar items)) unless otherwise permitted hereunder (including utilization of any other available baskets or incurrence based amounts), (b) the Weighted Average Life to Maturity of such Replacement Term Loans shall not be shorter than the remaining Weighted Average Life to Maturity of such Refinanced Term Loans (except to the extent of nominal amortization for periods where amortization has been eliminated as a result of prepayment of the applicable Term Loans) or any other then existing Priority Lien Debt at the time of such refinancing, except in the case of customary bridge loans which, subject only to customary conditions (which shall be limited to no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for long-term refinancing in the form of additional Replacement Term Loans permitted under (and subject to the requirements of) this Section 10.08 or Priority Lien Debt permitted under (and subject to the requirements of) Section 6.02(c), (c) the maturity date for such Replacement Term Loans shall be on or after the Latest Maturity Date, except in the case of customary bridge loans which, subject only to customary conditions (which shall be limited to no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for long-term refinancing in the form of additional Replacement Term Loans permitted under (and subject to the requirements of) this Section 10.08 or Priority Lien Debt permitted under (and subject to the requirements of) Section 6.02(c), (d) prior to the incurrence of such Replacement Term Loans, the Rating Agency Condition shall have been satisfied, (e) after giving effect to the incurrence of such Replacement Term Loans no Event of Default or Early Amortization Event shall have occurred and be continuing and (f) the covenants, events of default and guarantees shall (i) be reasonably acceptable to the Administrative Agent or (ii) be substantially similar to, or (taken as a whole) not be materially more restrictive on the SPV Parties (as reasonably determined by Loyalty Co) when taken as a whole, than the terms of the Refinanced Term Loans (except for (1) covenants, events of default and guarantees applicable only to periods after the Latest Maturity Date (as of the date of the refinancing) of such Class of Refinanced Term Loans and (2) pricing, fees, rate floors, premiums, optional prepayment or redemption terms) unless the Lenders under the other Classes of Term Loans existing on the refinancing date (other than the Refinanced Term Loans), receive the benefit of such more restrictive terms; *provided* that in no event shall such Replacement Term Loans be subject to events of default resulting (either directly or through a cross-default or cross-acceleration provision) from the occurrence of any event described in the definition of "Parent Bankruptcy Event" (or the occurrence of any such event with respect to any Subsidiary of Parent other than any SPV Party) except on the same terms as the then-outstanding Term Loans.

The Lenders hereby irrevocably agree that the Liens granted to the Master Collateral Agent by the Loan Parties on any Collateral shall be automatically released (i) upon the sale or other disposition of such Collateral (including as part of or in connection with any other sale or other disposition permitted hereunder) to any Person other than another Loan Party, to the extent such sale or other disposition is made in compliance with the terms of this Agreement and the Collateral Documents (and the Master Collateral Agent shall rely conclusively on a certificate and/or opinion of counsel to that effect provided to it by any Loan Party, including upon its reasonable request without further inquiry), (ii) to the extent such Collateral is comprised of property leased to a Loan Party, upon termination or expiration of such lease, (iii) if the release of such Lien is approved, authorized or ratified in writing by Lenders holding at least 66.67% of the total Term Loan Commitments and/or applicable Term Loans, (iv) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the applicable Guarantee (in accordance with the second following sentence), (v) as required to effect any sale or other disposition of Collateral in connection with any exercise of remedies of the Master Collateral Agent pursuant to the Collateral Documents and (vi) if such assets become Excluded Property. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Loan Documents. Additionally, the Lenders hereby irrevocably agree that any Restricted Subsidiary that is a Guarantor may, or shall automatically, as applicable, be released from the Guarantees as contemplated by Section 9.05. The Lenders hereby authorize the Administrative Agent and the Master Collateral Agent, as applicable, to, and the Administrative Agent and the Master Collateral Agent agree to, promptly execute and deliver any instruments, documents, and agreements necessary or desirable or reasonably requested by the Borrowers to evidence and confirm the release of any Guarantor or Collateral pursuant to the foregoing provisions of this paragraph, all without the further consent or joinder of any Lender.

Notwithstanding anything herein to the contrary, the Loan Documents may be amended to (i) add syndication or documentation agents and make customary changes and references related thereto, and (ii) if applicable, add or modify "parallel debt" language in any jurisdiction in favor of the Master Collateral Agents or add Master Collateral Agents, in each case under (i) and (ii), with the consent of only the Borrowers, the Administrative Agent and in the case of clause (ii), the applicable Master Collateral Agent.

Notwithstanding anything in this Agreement (including, without limitation, this Section 10.08) or any other Loan Document to the contrary, (i) this Agreement and the other Loan Documents may be amended to effect an incremental facility, refinancing facility or extension facility in accordance with Sections 2.27, this Section 10.08 or Section 2.28, respectively, and the Administrative Agent and the Borrowers may effect such amendments to this Agreement and the other Loan Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrowers, to effect the terms of any such incremental facility, refinancing facility or extension facility, including in the case of any such incremental facility to create such facility as a fungible Class of Term Loans (including by

increasing (but, for the avoidance of doubt, not be decreasing), the amount of amortization due and payable with regard to any Class of Term Loans); (ii) no Lender consent is required to effect any amendment or supplement to any Intercreditor Agreement or other intercreditor agreement or arrangement permitted under this Agreement that is for the purpose of adding the holders of any Indebtedness as expressly contemplated by the terms of such Intercreditor Agreement or such other intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent with the consent of the Borrowers, are required to effectuate the foregoing); *provided*, *further*, that no such agreement shall amend, modify or otherwise directly and adversely affect the rights or duties of the Administrative Agent, the Master Collateral Agent, the Collateral Custodian or the Collateral Administrator hereunder or under any other Loan Document (which shall include any such amendment or modification to Section 2.10(b)) or under any other Loan Document without its prior written consent; (iii) any provision of this Agreement or any other Loan Document (including, for the avoidance of doubt, any exhibit, schedule or other attachment to any Loan Document) may be amended by an agreement in writing entered into by the Borrowers and the Administrative Agent to (x) cure any ambiguity, omission, mistake, defect or inconsistency (as reasonably determined by the Administrative Agent and the Borrowers), (y) effect administrative changes of a technical or immaterial nature and (z) correct or cure any incorrect cross references or similar inaccuracies and such amendment shall be deemed approved by the Lenders if the Lenders shall have received at least five (5) Business Days' prior written notice of such change and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment; and (iv) guarantees, collateral documents and related documents executed by the Loan Parties in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be, together with any other Loan Document, entered into, amended, supplemented or waived, without the consent of any other Person, by the applicable Loan Party or Loan Parties and the Administrative Agent or the Master Collateral Agent in its or their respective sole discretion, to (A) effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, (B) as required by local law or advice of counsel to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable requirements of law, or (C) to cure ambiguities, omissions, mistakes or defects (as reasonably determined by the Administrative Agent and the Borrowers) or to cause such guarantee, collateral or security document or other document to be consistent with this Agreement and the other Loan Documents.

Notwithstanding anything in this Agreement or any Collateral Document to the contrary, (i) the Administrative Agent may, in its sole discretion, direct the Collateral Administrator, in its role as Collateral Controlling Party, to direct the Master Collateral Agent to give direction and approvals contemplated by the definition of "Approved Independent Director List" or "Excluded Subsidiary" and to grant extensions of time for the satisfaction of any of the requirements under Sections 4.03, 5.13, 5.15, 5.18(g) and 5.19(d) and/or any Collateral Documents or Contribution Agreements in respect of any particular Collateral or any particular Subsidiary and (ii) the Collateral Administrator, as "Collateral Controlling Party" under the

Collateral Agency and Accounts Agreement and each Senior Secured Debt Document, hereby agrees to provide instructions to the Master Collateral Agent when directed in writing to do so by the Administrative Agent or the Required Lenders. The Collateral Administrator shall not be required to exercise any discretionary rights or remedies hereunder or give any consent hereunder unless, subject to the other terms and provisions of this Agreement, it shall have been expressly directed to do so in writing as set forth in the immediately preceding sentence.

(b) Promptly after execution of any amendment or modification to this Agreement, any Collateral Document or any other Loan Document to which the Master Collateral Agent, the Collateral Custodian or the Collateral Administrator is a party, the Borrowers shall provide a copy of such executed amendment or modification to the Master Collateral Agent, the Collateral Custodian and the Collateral Administrator, as applicable.

(c) No notice to or demand on any Loan Party shall entitle any Loan Party to any other or further notice or demand in the same, similar or other circumstances. Each assignee under Section 10.02(b) shall be bound by any amendment, modification, waiver, or consent authorized as provided herein, and any consent by a Lender shall bind any Person subsequently acquiring an interest on the Term Loans held by such Lender. No amendment to this Agreement shall be effective against any Loan Party unless signed by the Borrowers.

(d) Notwithstanding anything to the contrary contained in Section 10.08(a) or elsewhere, (i) in the event that the Borrowers request that (A) this Agreement be modified or amended in a manner which would require the unanimous consent of all of the Lenders or all Lenders of a Class or the consent of all Lenders (or all Lenders of a Class) directly and adversely affected thereby and, in each case, such modification or amendment is agreed to by the Required Lenders (or at least 50% of the directly and adversely affected Lenders) or Required Class Lenders (or at least 50% of the directly and adversely affected Lenders of such Class) or (B) the maturity of any Class of Term Loans be extended pursuant to Section 2.28, then the Borrowers may (1) replace any applicable non-consenting Lender (each a "**Non-Consenting Lender**") or any non-extending Lender (each a "**Non-Extending Lender**"), as applicable, in accordance with an assignment pursuant to Section 10.02 (and such Non-Consenting Lender or Non-Extending Lender shall reasonably cooperate in effecting such assignment) or (2) repay such Lender on a non pro rata basis; *provided* that (x) such amendment or modification can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrowers to be made pursuant to this clause (i)) and (y) such Non-Consenting Lender or Non-Extending Lender shall have received payment of an amount equal to the outstanding principal amount of its Term Loans, accrued interest thereon, accrued Fees and all other amounts due and payable to it under this Agreement from the applicable assignee or the Borrowers and (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Term Loan Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that the Term Loan Commitment and the outstanding Term Loans or other extensions of credit held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

Section 10.09 Severability. Any provision of this Agreement held to be invalid, illegal or

unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 10.10 Headings. Section headings used herein are for convenience only and are not to affect the construction of or be taken into consideration in interpreting this Agreement.

Section 10.11 Survival. All covenants, agreements, representations and warranties made by the Loan Parties herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Term Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Early Amortization Event or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder. The provisions of Sections 2.14, 2.15, 2.16 and 10.04 and Section 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Term Loans, the expiration or termination of the Term Loan Commitments, the termination of this Agreement or any provision hereof, or the resignation or removal of any Agent.

Section 10.12 Execution in Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or electronic .pdf copy shall be effective as delivery of a manually executed counterpart of this Agreement. Notwithstanding anything contained herein to the contrary, the Collateral Administrator is not under any obligation to accept an electronic .pdf copy unless expressly agreed to by the Collateral Administrator pursuant to procedures approved by it. The Collateral Administrator shall not have a duty to inquire into or investigate the authenticity or authorization of any such electronic signature and both shall be entitled to conclusively rely on any such electronic signature without any liability with respect thereto. The words “execution,” “signed,” “signature,” and words of like import in this Agreement or any other Loan Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform

Electronic Transactions Act.

Section 10.13 USA Patriot Act. Each Lender that is subject to the requirements of the Patriot Act hereby notifies each Loan Party that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender to identify each Loan Party in accordance with the Patriot Act. In order to comply with laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering (for purposes of this Section 10.13, "**Applicable Law**"), each of the Collateral Administrator and the Master Collateral Agent is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Master Collateral Agent or the Collateral Administrator. Accordingly, subject to the terms of any binding confidentiality restrictions or limitations imposed by Applicable Law, each of the parties agrees to provide to the Collateral Administrator and the Master Collateral Agent promptly following its reasonable request from time to time such customary and reasonably available identifying information and documentation as may be available for such party in order to enable the Collateral Administrator and the Master Collateral Agent to comply with Applicable Law.

Section 10.14 New Value. It is the intention of the parties hereto that any provision of Collateral by a Grantor as a condition to, or in connection with, the making of any Term Loan hereunder, shall be made as a contemporaneous exchange for new value given by the Lenders to the Borrowers.

Section 10.15 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.15.

Section 10.16 No Fiduciary Duty. Each Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**"), may have economic interests that conflict with those of the Borrowers, their stockholders and/or their affiliates. Each Borrower agrees that nothing in the Loan Documents or otherwise related to the Transactions will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and the Borrowers, their stockholders or their affiliates, on the other hand. The parties hereto (other than the Collateral Administrator) acknowledge and agree that (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the

Lenders, on the one hand, and the Loan Parties, on the other hand, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Borrower, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Borrower, its stockholders or its affiliates on other matters) or any other obligation to any Borrower except the obligations expressly set forth in the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Borrower, its management, stockholders, affiliates, creditors or any other Person. Each Borrower acknowledges and agrees that such Borrower has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Borrower agrees that it will not claim that any Lender or the Collateral Administrator has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Borrower, in connection with such transaction or the process leading thereto.

Section 10.17 CFC or a FSHCO Provisions. Notwithstanding any term of any Loan Document, no loan or other obligation of any Borrower, under any Loan Document, may be, directly or indirectly (including by application of any payments made by or amounts received or recovered from any CFC or FSHCO):

(i) guaranteed by a CFC or a FSHCO;

(ii) secured by any assets of a CFC or FSHCO (including any CFC or FSHCO equity interests held directly or indirectly by a CFC or FSHCO); or

(iii) secured by a pledge or other security interest in excess of 65% of the voting equity interests of any CFC or FSHCO.

Section 10.18 [Reserved].

Section 10.19 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 10.20 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, each party to this Agreement, each Joint Lead Arranger and Bookrunner and their respective Affiliates, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans or this Agreement;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans and this Agreement; or

(iii) (A) such Lender is an investment fund managed by a "**Qualified Professional Asset Manager**" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Term Loans and this Agreement, (C) the entrance into, participation in, administration of and performance of the Term Loans and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84- 14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans and this Agreement.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender, such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of each party to this Agreement, each Joint Lead Arranger and Bookrunner and their respective Affiliates, that, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Term Loans and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

Section 10.21 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Contracts or any other agreement or instrument that is a QFC (such support, "**QFC Credit Support**" and each such QFC a "**Supported QFC**"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

Section 10.22 Limited Recourse; Non-Petition. Notwithstanding any other provision of this Agreement or any other document to which it may be a party, the obligations of each SPV Party from time to time and at any time hereunder are limited recourse obligations of such SPV Party and are payable solely from the assets thereof available at such time and amounts derived

therefrom and following realization of the assets of such SPV Party, and application of the Proceeds (as defined in the UCC) (including proceeds of assets upon which a Lien was purported to be granted) thereof in accordance with this Agreement, all obligations of and any remaining claims against such SPV Party hereunder or in connection herewith after such realization shall be extinguished and shall not thereafter revive. No recourse shall be had against any officer, director, employee, shareholder, administrator or incorporator of the SPV Parties or their respective successors or assigns for any amounts payable hereunder. Notwithstanding any other provision of this Agreement, no Person may, prior to the date which is one year (or if longer, any applicable preference period) and one day after the Discharge of Senior Secured Debt Obligations, institute against, or join any other Person in instituting against, the SPV Parties any Insolvency or Liquidation Proceeding, or other proceedings under Cayman Islands, Luxembourg, U.S. federal or state bankruptcy or similar laws. Nothing in this Section 10.22 shall preclude, or be deemed to estop, the parties hereto (i) from taking any action prior to the expiration of the aforementioned period in (A) any case or Insolvency or Liquidation Proceeding voluntarily filed or commenced by any SPV Party or (B) any involuntary Insolvency or Liquidation Proceeding filed or commenced by any other Person, or (ii) from commencing against any SPV Party or any of its property any legal action which is not an Insolvency or Liquidation Proceeding. It is understood that the foregoing provisions of this Section shall not (x) prevent recourse to the assets of the SPV Parties (including the Collateral and sums due or to become due under any security, instrument or agreement which is part of the Collateral) or (y) constitute a waiver, release or discharge of any Indebtedness or obligation secured hereby until all assets of SPV Parties (including the Collateral and sums due or to become due under any security, instrument or agreement which is part of the Collateral) have been realized. It is further understood that the foregoing provisions of this Section shall not limit the right of any Person to name any SPV Party as a party defendant in any proceeding or in the exercise of any other remedy hereunder, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced against any such Persons.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and the year first written above.

BORROWERS:

Executed as a deed on behalf of:

AADVANTAGE LOYALTY IP LTD., a Cayman Islands exempted company with limited liability

By:__ Name:
Title:

AMERICAN AIRLINES, INC., a Delaware corporation

By:__ Name:

Title: GUARANTORS:

AMERICAN AIRLINES GROUP INC., a Delaware corporation

By:__ Name:
Title:

Executed as a deed on behalf of:

AADVANTAGE HOLDINGS 1, LTD., a Cayman Islands exempted company with limited liability

By:__ Name:
Title:

Executed as a deed on behalf of:

AADVANTAGE HOLDINGS 2, LTD., a Cayman Islands exempted company with limited liability

By:__ Name:
Title:

BARCLAYS BANK PLC,
as Administrative Agent

By:__ Name:
Title:

BARCLAYS BANK PLC, as a Lender

By:__ Name:
Title:

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Collateral Administrator

By:__ Name:
Title:

BARCLAYS BANK PLC,
as a Lender

By:__ Name:
Title:

AMERICAN AIRLINES GROUP, INC.

SEVERANCE AGREEMENT For Executives

This Severance Agreement (the "***Agreement***") is made and entered into by and among Anthony J. Richmond ("***Executive***"), American Airlines Group, Inc., a Delaware corporation ("***Group***"), and American Airlines, Inc., a Delaware corporation and a wholly-owned subsidiary of Group ("***American***" and, together with Group, the "***Company***") effective as of the latest date set forth by the signatures of the parties hereto below (the "***Effective Date***").

R E C I T A L S

A. The Company believes that it is imperative to provide Executive with severance benefits upon certain terminations of Executive's service to the Company that enhance Executive's financial security and provide incentive and encouragement to Executive to remain with the Company.

B. Unless otherwise defined herein, capitalized terms used in this Agreement are defined in Section 10 below.

The parties hereto agree as follows:

1. Term of Agreement. This Agreement shall become effective as of the Effective Date and terminate upon the date that all obligations of the parties hereto with respect to this Agreement have been satisfied.

2. At-Will Employment. The Company and Executive acknowledge that Executive's employment is and shall continue to be "at-will," as defined under applicable law. If Executive's employment terminates for any reason, Executive shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided by this Agreement. Further, any termination of or changes in the terms or conditions of Executive's employment shall not affect the covenants set forth in the Restrictive Covenants Agreement (as defined below), which shall remain in full force and effect pursuant to their terms.

3. Covered Termination. If Executive experiences a Covered Termination, and delivers to the Company a general release of all claims against the Company and its affiliates substantially in the form attached hereto as Exhibit A (a "***Release of Claims***") that becomes effective and irrevocable within sixty (60) days, or such shorter period of time specified by the Company, following such Covered Termination (the "***Release Condition***"), and continues to comply with the requirements set forth in Section 13, then in addition to any accrued but unpaid salary, bonus, benefits, vacation and expense reimbursement payable in accordance with applicable law, the Company shall provide Executive with the following:

(a) Severance. Executive shall be entitled to receive a severance payment in an amount equal to the sum of (i) eighteen (18) months of Executive's base salary and (ii) 1.5 times Executive's target annual bonus assuming achievement of performance goals at target, in each case, at the rate in effect immediately prior to the Termination Date (in each case, without giving effect to any

reduction in base salary that gives rise to a Covered Termination for Good Reason), less applicable withholdings. This severance payment shall be made to Executive in substantially equal installments over the eighteen (18) months immediately following the date of the Covered Termination in accordance with the Company's normal payroll procedures with the first such installment to be made on the first payroll date following the date the Release of Claims becomes effective and irrevocable, provided, that if the Covered Termination occurs after November 1 of any year, the first such installment shall be made on the first payroll date of the subsequent year and, provided further, that, in each case, the first installment shall include any installment payments that would have been made had such installments commenced on the first payroll date after the Covered Termination.

(b) Continued Healthcare. As additional severance, Executive shall be entitled to receive a payment in an amount equal to the product of (i) eighteen (18) multiplied by (ii) the monthly premium for continued healthcare coverage pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") for Executive and Executive's covered dependents based on Executive's elected healthcare coverage and COBRA premium rates, in each case, in effect as of the Termination Date, payable in a lump sum, less applicable withholdings, no later than the first regular payroll date following the date the Release of Claims becomes effective and irrevocable. Executive acknowledges that Executive shall be solely responsible for all matters relating to any continuation of coverage pursuant to COBRA, including, without limitation, Executive's election of such coverage and Executive's timely payment of premiums.

(c) Equity Awards. In addition to any accelerated or continued vesting terms under the applicable award agreement, if applicable, each outstanding and unvested equity award, including, without limitation, each restricted stock unit award, held by Executive shall remain outstanding following the Termination Date and continue to vest in accordance with its original vesting schedule during the eighteen (18) month period immediately following the Termination Date without regard to any continued service requirements but, for any performance-based award, subject to the attainment of the performance goals applicable to such award; provided, that the foregoing continued vesting shall solely apply to any shares underlying equity awards that do not vest under the underlying applicable award agreement (after giving effect to any accelerated or continued vesting terms under such agreement).

(d) Travel Privileges. Executive shall be eligible to receive travel privileges for Executive and Executive's eligible family members, pursuant to the terms and conditions of the Company's travel policy for officers, as amended from time to time, for the eighteen (18) month period immediately following the Termination Date or, if applicable, the duration specified in Section 5 of this agreement, whichever is greater. Executive's right to travel privileges shall be subject to all applicable taxes pursuant to the Company's then existing tax policies, and the Company will not provide any tax gross-up payments to Executive for taxes payable on such travels. The amount of travel privileges used by Executive in one year will not affect the amount of travel privileges Executive is entitled to use in any other year. The right to travel privileges provided in this Agreement is not subject to liquidation, cash out, or exchange for any other taxable or nontaxable benefit.

4. Covered Termination During a Change in Control Period. If Executive experiences a Covered Termination at any time during the period commencing on a Change in Control and ending twenty-four (24) months following the Change in Control, and satisfies the Release Condition and continues to comply with the requirements set forth in Section 13, then in addition to the severance and other benefits Executive may be eligible for set forth in Section 3, each outstanding and unvested equity award including, without limitation, each restricted stock unit award, held by Executive shall automatically become vested and, if applicable, exercisable, and any forfeiture

restrictions thereon shall immediately lapse, in each case, with respect to one hundred percent (100%) of the unvested shares underlying the equity award as of the Termination Date; provided that for any performance-based equity awards held by the Executive that vest based on the attainment of performance goals that remain unsatisfied as of immediately before the Termination Date, such performance goals shall be deemed achieved at the greater of target or the expected attainment level based on performance as of the Termination Date (as determined by the Board of Directors of the Company or its Compensation Committee).

5. Travel Privileges on Other Termination. If Executive terminates service as an Executive Vice President of the Company reporting to the Chief Executive Officer for any reason on or after May 1, 2026 other than a termination of employment effected by the Company for Cause and Executive satisfied the Release Condition, then Executive shall be eligible to receive travel privileges for Executive and Executive's eligible family members, pursuant to the terms and conditions of the Company's travel policy for officers, as amended from time to time, during the Flight Benefit Period (as defined below). For the purposes hereof, "Flight Benefit Period" shall mean the period commencing on the date Executive terminates service as an Executive Vice President of the Company reporting to the Chief Executive Officer and ending on the anniversary of such termination date determined by multiplying (i) the number of whole years Executive served as an Executive Vice President of the Company reporting to the Chief Executive Officer by (ii) 4, *provided*, that if the number of whole years Executive served as an Executive Vice President of the Company reporting to the Chief Executive Officer equals or exceeds 5, the Flight Benefit Period shall commence on the termination date and continue for the remainder of Executive's lifetime. Executive's right to travel privileges shall be subject to all applicable taxes pursuant to the Company's then existing tax policies, and the Company will not provide any tax gross-up payments to Executive for taxes payable on such travels. The amount of travel privileges used by Executive in one year will not affect the amount of travel privileges Executive is entitled to use in any other year. The right to travel privileges provided in this Agreement is not subject to liquidation, cash out, or exchange for any other taxable or nontaxable benefit.

6. Certain Reductions. Notwithstanding anything herein to the contrary, the Company shall reduce Executive's severance benefits under this Agreement, in whole or in part, by any other severance benefits, pay in lieu of notice, or other similar benefits payable to Executive by the Company in connection with Executive's termination, including but not limited to payments or benefits pursuant to (a) any applicable legal requirement, including, without limitation, the Worker Adjustment and Retraining Notification Act, or (b) any other Company agreement, arrangement, policy or practice relating to Executive's termination of employment with the Company. The benefits provided under this Agreement are intended to satisfy, to the greatest extent possible, any and all statutory obligations that may arise out of Executive's termination of employment. Such reductions shall be applied on a retroactive basis, with severance benefits previously paid being recharacterized as payments pursuant to the Company's statutory obligation.

7. Deemed Resignation. Upon termination of Executive's employment for any reason, Executive shall be deemed to have resigned from any and all offices and directorships then held with the Company or any of its affiliates, and, at the Company's request, Executive shall execute such documents as are necessary or desirable to effectuate such resignations.

8. Other Terminations. If Executive's service with the Company is terminated by the Company or by Executive for any or no reason other than as a Covered Termination, then Executive shall not be entitled to any benefits hereunder other than accrued but unpaid salary, bonus, vacation and expense reimbursement in accordance with applicable law, the travel privileges under Section 5, and to elect any continued healthcare coverage as may be required under COBRA or similar state law.

9. Limitation on Payments. Notwithstanding anything in this Agreement to the contrary, if any payment or distribution Executive would receive pursuant to this Agreement or otherwise ("***Payment***") would (a) constitute a "parachute payment" within the meaning of Section 280G of the Code and (b) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment shall either be (i) delivered in full, or (ii) delivered as to such lesser extent which would result in no portion of such Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by Executive on an after-tax basis, of the largest payment, notwithstanding that all or some portion of the Payment may be taxable under Section 4999 of the Code. The accounting firm engaged by the Company for general audit purposes as of the day prior to the effective date of the change in control shall perform the foregoing calculations. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The accounting firm shall provide its calculations to the Company and Executive within fifteen (15) calendar days after the date on which Executive's right to a Payment is triggered (if requested at that time by the Company or Executive) or such other time as requested by the Company or Executive. Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon the Company and Executive. Any reduction in payments and/or benefits pursuant to this Section 9 will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits payable to Executive.

10. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

(a) "***Cause***" means (a) Executive's willful and continued failure to perform Executive's duties (other than any such failure resulting from Executive's incapacity due to physical or mental illness) after written notice of such failure has been given to Executive by the Company and Executive has had a reasonable period (but not more than fifteen (15) days) after receipt of such notice to correct such failure; (b) the unlawful or willful commission by Executive of any act that is dishonest and demonstrably injurious to the Company or any of its subsidiaries in any material respect; (c) the conviction of, or plea of guilty or *nolo contendere* to, a felony offense by Executive; (d) habitual drug or alcohol abuse that impairs Executive's ability to perform the essential duties of Executive's position or the Executive's possession or use of illegal drugs on the Company's premises; (e) embezzlement, fraud or any other illegal act against the Company or any illegal act committed in connection with Executive's performance of Executive's duties; (f) any material breach by Executive of any material Company policy (other than inadvertent actions taken in good faith), including without limitation the Company's code of conduct and those policies regarding ethics, unlawful harassment, workplace safety, or workplace discrimination; or (g) a material breach by Executive of any agreement between the Company and Executive, but only if such breach shall continue unremedied for more than fifteen (15) days after written notice thereof is given to Executive by the Company

(b) "***Change in Control***" means a "Change in Control" as defined in the Company's 2023 Incentive Award Plan.

(c) "***Covered Termination***" means the termination of Executive's employment with the Company effected by the Company other than for Cause or Executive's resignation of employment with the Company for Good Reason. For the avoidance of doubt, a Covered Termination shall not include Executive's termination of employment due to death or disability.

(d) "***Good Reason***" means the occurrence of any of the following without Executive's written consent: (i) a material adverse alteration by the Company in Executive's base compensation, which is comprised of base salary and target cash incentive opportunity (except where such reduction to base compensation proportionately affects all similarly situated employees of the Company), position, function, duties or responsibilities; (ii) the relocation of Executive outside of the metropolitan area in which Executive is based; or (iii) a material breach by the Company of any written agreement between Executive and the Company; provided, that no resignation for Good Reason shall be effective unless and until (1) Executive has first provided the Company with written notice specifically identifying the acts or omissions constituting the grounds for "Good Reason" within thirty (30) days after the occurrence thereof, (2) the Company has not cured such acts or omissions that are capable of cure within thirty (30) days of its actual receipt of such notice, and (3) the effective date of Executive's termination for Good Reason occurs no later than sixty (60) days after the initial existence of the facts or circumstances constituting Good Reason.

(e) "***Termination Date***" means the date Executive experiences a Covered Termination.

11. Successors.

(a) Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets shall assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "***Company***" shall include any successor to the Company's business and/or assets which executes and delivers the assumption agreement described in this Section 11(a) or which becomes bound by the terms of this Agreement by operation of law.

(b) Executive's Successors. The terms of this Agreement and all rights of Executive hereunder shall inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

12. Notices. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or one day following mailing via Federal Express or similar overnight courier service. In the case of Executive, mailed notices shall be addressed to Executive at Executive's home address that the Company has on file for Executive. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of the Chief Executive Officer.

13. Covenants. As a condition to entering into this Agreement, which provides eligibility to receive benefits under Sections 3, 4 and 5 of this Agreement, Executive must agree to and comply with the requirements set forth in this Section 13. For the avoidance of doubt, the covenants set forth in this Section 13 and the Restrictive Covenants Agreement (as defined below) apply to Executive whether or not Executive receives any benefits under Sections 3, 4 and 5 of this Agreement. Without limiting any other remedy set forth herein or in the Restrictive Covenants Agreement, in the event Executive fails to satisfy the requirements set forth in this Section 13 and the Restrictive Covenants Agreement in any material respect, the Company shall have no obligation to pay or to continue the benefits under Sections 3, 4 and 5 of this Agreement.

(a) Restrictive Covenants. The Company (which as used in this Section 13(a) shall include the Company and any of its affiliates) operates in a highly sensitive and competitive commercial environment. As part of Executive's employment (which as used in this Section 13(a)

shall include engagement as an independent contractor or other non-employee role as well) with the Company, Executive has been and will continue to be exposed to highly confidential and sensitive information regarding the Company's business operations, including corporate strategy, pricing, and other market information, know-how, trade secrets, and valuable customer, supplier, and employee relationships. It is critical that the Company take all necessary steps to safeguard its legitimate protectable interests in such information and to prevent any of its competitors or any other persons from obtaining any such information. Therefore, as consideration for and ancillary to the Company's agreement to enter into this Agreement with Executive, and to protect the goodwill and other legitimate business interests of the Company, Executive shall enter into, and shall abide by, the terms and conditions of the restrictive covenants concerning confidentiality, noncompetition and nonsolicitation contained in Exhibit B attached hereto (the "***Restrictive Covenants Agreement***") between Executive and Group, which is hereby incorporated herein by reference. By entering into this Agreement, Executive acknowledges and agrees that Executive has read and understood the Restrictive Covenants Agreement and has had an opportunity to seek the advice of an attorney prior to entering into this Agreement and entering into, or agreeing to enter into, the Restrictive Covenants Agreement.

(b) Non-Disparagement. Executive agrees that Executive shall not disparage, criticize or defame the Company, its affiliates and their respective affiliates, directors, officers, agents, partners, stockholders or employees, either publicly or privately. The Company agrees that it shall not, and it shall instruct its executive officers to not, disparage, criticize or defame Executive, either publicly or privately. Nothing in this Section 13(b) shall have application to any evidence or testimony required by any court, arbitrator or government agency.

(c) Return of Documents and Property. Executive will no later than the Termination Date turn over to the Company all physical or personal property that are the property of the Company and that Executive had in Executive's possession, custody or control, including, without limitation, Executive's laptop computer, along with all other equipment and originals and copies of correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents, or any other documents concerning the Company's customers, business plans, marketing strategies, products, processes or business of any kind and/or which contain proprietary information or trade secrets which are in the possession or control of Executive or Executive's agents or representatives. These obligations include the return of any electronic information or data that belongs to the Company.

(d) Clawback Policy. Executive acknowledges that Executive shall remain subject to the Company's or the Group's Clawback Policy, as may be amended from time to time, to the extent provided therein or otherwise required by applicable law.

(e) Forfeiture; Repayment. If Executive materially breaches Sections 13(a)-(d) and the Company delivers written notice to Executive of such material breach within ninety (90) days after the Company's Chief Executive Officer's first acquires actual knowledge of such material breach, then Executive shall (i) forfeit any and all rights to any future payments or benefits to be made or provided under Sections 3, 4 and 5 of this Agreement and (ii) reimburse the Company for all payments made and the value of all benefits received by Executive and Executive's dependents (if any) up to and through the date of such breach, with interest at the prime rate published by the Wall Street Journal on the date the Company sends written demand for reimbursement, compounded annually, from the date such payments or benefits were made until the date of repayment

14. Dispute Resolution. To ensure the timely and economical resolution of disputes that arise in connection with this Agreement, Executive and the Company agree that any and all disputes, claims,

or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment (excluding any disputes arising under the Restrictive Covenants Agreement), shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration in Tarrant County, Texas through Judicial Arbitration & Mediation Services/Endispute ("***JAMS***") in conformity with the then-existing JAMS employment arbitration rules and Texas law. A link to the current JAMS employment arbitration rules follows: https://www.jamsadr.com/rules-employment-arbitration/english. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The Company shall pay all JAMS's arbitration fees in excess of the amount of court fees that would be required if the dispute were decided in a court of law. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Notwithstanding the foregoing, Executive and the Company each have the right to resolve any issue or dispute over intellectual property rights or arising under the Restrictive Covenants Agreement by Court action instead of arbitration. The parties agree to resolve all disputes excluded from arbitration in a court of competent jurisdiction located in Texas sitting without a jury and each party waives its right to a jury trial in any such dispute.

15. Miscellaneous Provisions.

(a) Section 409A.

(i) Separation from Service. Notwithstanding any provision to the contrary in this Agreement, no amount deemed deferred compensation subject to Section 409A of the Code shall be payable pursuant to Sections 3, 4 and 5 above unless Executive's termination of employment constitutes a "separation from service" with the Company within the meaning of Section 409A of the Code and the Department of Treasury regulations and other guidance promulgated thereunder ("***Separation from Service***") and, except as provided under Section 15(a)(ii) of this Agreement, any such amount shall not be paid, or in the case of installments, commence payment, until the sixtieth (60^{th}) day following Executive's Separation from Service. Any installment payments that would have been made to Executive during the sixty (60) day period immediately following Executive's Separation from Service but for the preceding sentence shall be paid to Executive on the sixtieth (60^{th}) day following Executive's Separation from Service and the remaining payments shall be made as provided in this Agreement.

(ii) Specified Employee. Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed at the time of Executive's separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the benefits to which Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of Executive's benefits shall not be provided to Executive prior to the earlier of (A) the expiration of the six (6)-month period measured from the date of Executive's Separation from Service or (B) the date of Executive's death. Upon the first business day following the expiration of the applicable Code Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Section 14(a)(ii) shall be paid in a lump sum to Executive, and any remaining payments due under this Agreement shall be paid as otherwise provided herein.

(iii) Expense Reimbursements. To the extent that any reimbursements payable pursuant to this Agreement are subject to the provisions of Section 409A of the Code, any such reimbursements payable to Executive pursuant to this Agreement shall be paid to Executive no later than December 31st of the year following the year in which the expense was incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, and Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(iv) Installments. For purposes of Section 409A of the Code (including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment.

(b) Waiver. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Whole Agreement. This Agreement and the agreements and provisions incorporated in this Agreement, including, without limitation, the Restrictive Covenants Agreement and the award agreements and equity plans governing the terms of Executive's outstanding and unvested equity awards represent the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior promises, arrangements and understandings regarding same, whether written or unwritten, or previously approved by the Board of Directors of the Company.

(d) Choice of Law. This Agreement was negotiated, entered into and is performable, in whole or in part, in Tarrant County, Texas. Therefore, the validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Texas.

(e) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(f) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

(*Signature page follows*)

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

AMERICAN AIRLINES GROUP, INC.

By: /s/ Michelle Earley

Title: SVP, Deputy General Counsel

Date: July 1, 2025

AMERICAN AIRLINES, INC.

By: /s/ Michelle Earley

Title: SVP, Deputy General Counsel

Date: July 1, 2025

EXECUTIVE

/s/ Anthony J. Richmond

Date: July 1, 2025

EXHIBIT A

RELEASE OF CLAIMS

This Release of Claims ("***Release***") is entered into as of [_____], among Anthony J. Richmond ("***Executive***") and American Airlines Group, Inc., a Delaware corporation ("***Group***"), and American Airlines, Inc., a Delaware corporation and a wholly-owned subsidiary of Group ("***American***" and, together with Group, the "***Company***," and, collectively with Executive, the "***Parties***"), effective eight days after Executive's signature hereto (the "***Effective Date***"), unless Executive revokes Executive's acceptance of this Release as provided in Paragraph 1(c), below.

1. Executive's Release of the Company. Executive understands that by agreeing to this Release, Executive is agreeing not to sue, or otherwise file any claim against, the Company or any of its employees or other agents for any reason whatsoever based on anything that has occurred as of the date Executive signs this Release.

(a) On behalf of Executive and Executive's heirs and assigns, Executive hereby releases and forever discharges the "Releasees" hereunder, consisting of the Company, and each of its owners, affiliates, divisions, predecessors, successors, assigns, agents, directors, officers, partners, employees, and insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, loss, cost or expense, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "Claims"), which Executive now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof, including, without limiting the generality of the foregoing, any Claims arising out of, based upon, or relating to Executive's hire, employment, remuneration or resignation by the Releasees, or any of them, including Claims arising under federal, state, or local laws relating to employment, Claims of any kind that may be brought in any court or administrative agency, any Claims arising under the Age Discrimination in Employment Act ("ADEA"), 29 U.S.C. § 621, et seq.; Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, 42 U.S.C. § 2000 et seq.; the Equal Pay Act, 29 U.S.C. § 206(d); the Civil Rights Act of 1866, 42 U.S.C. § 1981; the Family and Medical Leave Act of 1993, 29 U.S.C. § 2601 et seq.; the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq.; the False Claims Act, 31 U.S.C. § 3729 et seq.; the Employee Retirement Income Security Act, 29 U.S.C. § 1001 et seq.; the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101 et seq. the Fair Labor Standards Act, 29 U.S.C. § 215 et seq., the Sarbanes-Oxley Act of 2002; the Texas Labor Code (specifically including the Texas Payday Law, the Texas Anti-Retaliation Act, Chapter 21 of the Texas Labor Code, and the Texas Whistleblower Act); and any and all other federal, state and local laws, statutes, executive orders, regulations municipal ordinances, common law, and any other jurisdiction worldwide; Claims for breach of contract; Claims arising in tort,

including, without limitation, Claims of wrongful dismissal or discharge, discrimination, harassment, retaliation, fraud, misrepresentation, defamation, libel, infliction of emotional distress, violation of public policy, and/or breach of the implied covenant of good faith and fair dealing; and Claims for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney's fees.

(b) Notwithstanding the generality of the foregoing, Executive does not release the following claims:

(i) Claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law;

(ii) Claims for workers' compensation insurance benefits under the terms of any worker's compensation insurance policy or fund of the Company;

(iii) Claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA;

(iv) Claims to any benefit entitlements vested as the date of Executive's employment termination, pursuant to written terms of any Company employee benefit plan;

(v) Claims for indemnification under any indemnification agreement with the Company, the Company's Bylaws, any other applicable law or the Company's directors and officers liability insurance policy; and

(vi) Executive's right to bring to the attention of the Equal Employment Opportunity Commission claims of discrimination; provided, however, that Executive does release Executive's right to secure any damages for alleged discriminatory treatment.

(c) In accordance with the Older Workers Benefit Protection Act of 1990, Executive has been advised of the following:

(i) Executive has the right to consult with an attorney before signing this Release;

(ii) Executive has been given at least twenty-one (21) days to consider this Release;

(iii) Executive has seven (7) days after signing this Release to revoke it, and Executive will not receive the severance benefits provided by that certain Severance Agreement among the Parties (the "Severance Agreement") unless and until such seven (7) day period has expired. If Executive wishes to revoke this

Release, Executive must deliver notice of Executive's revocation in writing, no later than 5:00 p.m. on the 7th day following Executive's execution of this Release to [_____].

2. Executive Representations. Executive represents and warrants that:

(a) Executive has returned to the Company all Company property in Executive's possession;

(b) Executive is not owed wages, commissions, bonuses or other compensation, other than wages through the date of the termination of Executive's employment and any accrued, unused vacation earned through such date, and any payments that become due under the Severance Agreement;

(c) During the course of Executive's employment Executive did not sustain any injuries for which Executive might be entitled to compensation pursuant to worker's compensation law or Executive has disclosed any injuries of which Executive is currently, reasonably aware for which Executive might be entitled to compensation pursuant to worker's compensation law; and

(d) Executive has not initiated any adversarial proceedings of any kind against the Company or against any other person or entity released herein, nor will Executive do so in the future, except as specifically allowed by this Release.

3. Severability. The provisions of this Release are severable. If any provision is held to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provision.

4. Choice of Law. This Release shall in all respects be governed and construed in accordance with the laws of the State of Texas, including all matters of construction, validity and performance, without regard to conflicts of law principles.

5. Integration Clause. This Release and the Severance Agreement contain the Parties' entire agreement with regard to the separation of Executive's employment, and supersede and replace any prior agreements as to those matters, whether oral or written. This Release may not be changed or modified, in whole or in part, except by an instrument in writing signed by Executive and a duly authorized officer or director of the Company.

6. Execution in Counterparts. This Release may be executed in counterparts with the same force and effectiveness as though executed in a single document. Facsimile signatures shall have the same force and effectiveness as original signatures.

7. Intent to be Bound. The Parties have carefully read this Release in its entirety; fully understand and agree to its terms and provisions; and intend and agree that it is final and binding on all Parties.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed the foregoing on the dates shown below.

AMERICAN AIRLINES GROUP, INC.
By: _____
Title: _____
Date: _____

AMERICAN AIRLINES, INC.
By: _____
Title: _____
Date: _____

EXECUTIVE

Date: _____

EXHIBIT B

RESTRICTIVE COVENANTS AGREEMENT

This Restrictive Covenants Agreement ("***Restrictive Covenants Agreement***") is entered into by and between American Airlines Group, Inc. on behalf of itself, its subsidiaries, and other affiliates (collectively referred to herein as the "***Company***"), and Anthony J. Richmond ("***Executive***"), as of July 1, 2025 (the "***Effective Date***"), as consideration for and ancillary to the Company's agreement to enter into the severance agreement to which this Restrictive Covenants Agreement is attached (the "***Severance Agreement***"), and to protect the goodwill and other legitimate business interests of the Company.

1. Confidentiality. In furtherance of Executive's job duties, the Company agrees to provide Executive with access to and use of certain of the Company's confidential or proprietary information that the Company deems necessary and reasonable for Executive to perform Executive's job duties, Executive agrees to safeguard the confidentiality of such information, and to not use or disclose any of the Company's confidential or proprietary information without the Company's written approval, except as reasonably necessary to carry out Executive's job duties. For the avoidance of doubt, the foregoing restrictions shall not apply to information that is or becomes generally known in the public through lawful means, and not through a breach of this Restrictive Covenants Agreement or other legal or contractual obligation. In addition, Executive acknowledges that Executive continues to be bound by the confidentiality provisions contained in the Company's Standards of Business Conduct, the terms and conditions of which are incorporated herein by reference. Nothing herein shall be deemed to limit in any way Executive's obligations under the Company's Standards of Business Conduct. In the event of any conflict between the terms hereof and the terms of the Company's Standards of Business Conduct, the more restrictive terms shall prevail. For the avoidance of doubt, nothing in this Restrictive Covenants Agreement or the Company's Standards of Business Conduct will be construed to prohibit Executive from filing a charge with, reporting possible violations to, or participating or cooperating with any governmental agency or entity, including but not limited to the EEOC, the Department of Justice, the Securities and Exchange Commission, Congress, or any agency Inspector General, or making other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation; provided, however, that Executive may not disclose information of the Company or any of their affiliates that is protected by the attorney-client privilege, except as otherwise required by law. Executive does not need the prior authorization of the Company to make any such reports or disclosures, and Executive is not required to notify the Company that Executive has made such reports or disclosures. Executive acknowledges receipt of notice of immunity rights under the U.S. Defend Trade Secrets Act, which states: (1) an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (2) an individual who

files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

2. Non-Competition; Non-Solicitation.

(a) Executive acknowledges that during the course of Executive's employment (which as used in this Restrictive Covenants Agreement shall include engagement as an independent contractor or other non-employee role as well) with the Company, Executive has and shall become familiar with the Company's corporate strategy, pricing and other market information, know-how, trade secrets, and valuable customer, supplier and employee relationships, and with other confidential or proprietary information concerning the Company, and that Executive's services shall be of special, unique and extraordinary value to the Company. Executive also acknowledges that the Company's business, through (A) the location of its customers and facilities and (B) the area in which its services are offered, is international in scope and extends worldwide. Accordingly, Executive agrees that, during Executive's employment with the Company and for eighteen (18) months thereafter (unless some longer period is specified in any other agreement between Executive and the Company) (the "***Noncompete Period***"), Executive shall not directly or indirectly: (i) own any interest in, manage, control, or in any other manner engage in, or take significant steps to engage in, any Competing Business (as defined on Annex 1 to this Agreement), provided nothing herein shall prohibit Executive from being a passive owner of not more than two percent (2%) of the outstanding stock of any class of the stock of a corporation which is publicly traded, so long as Executive has no active participation in the business of such corporation, or (ii) be employed by, consult with, or render services to any Competing Business, whether as an employee, consultant, contractor, advisor, member, director, or otherwise, in a role that is similar to any role Executive held at any time while employed by the Company, that is executive or managerial in nature, or in which Executive could reasonably be expected to use or disclose any of confidential or proprietary information of the Company, in either case (i) or (ii), in any state, country and area where the Company conducts business during Executive's employment with the Company or has material plans to conduct business as of the termination of such employment (the "***Geographic Area***"). The foregoing restrictions shall be binding only to the extent permissible under Rule 5.06 of the Texas Disciplinary Rules of Professional Conduct and any other state's similar rules of professional conduct that may be applicable to Executive. For the avoidance of doubt, the parties acknowledge and agree that following Executive's employment with the Company, Executive shall not be precluded from engaging in the practice of law at a law firm or otherwise, provided such engagement does not entail or require Executive to serve in whole or in part in a non-legal business role for any Competing Business, and subject at all times to Executive's ongoing professional responsibilities and confidentiality obligations. Executive acknowledges and agrees that certain in-house legal roles are key roles that innately require service in both a legal and non-legal capacity, and, therefore, Executive agrees not to engage in such roles for any Competing Business during the Noncompete Period.

(b) During Executive's employment with the Company and for twenty-four (24) months thereafter (the "***Non-Solicit Period***"), Executive shall not directly or indirectly through another individual, corporation, partnership, limited liability company, joint venture, estate, trust, association, unincorporated organization or other entity or group (A) solicit for employment or hire, employ or hire, or otherwise induce or attempt to induce any employee, consultant or other service provider of the Company to leave the employ or engagement of the Company, or in any way interfere with the relationship between the Company and any employee, consultant, or other service provider thereof, (B) solicit the business of or offer or provide services that are similar to the Company's services to any of the Company's customers, or (C) induce or encourage any customer, supplier, licensee, licensor or other business relation of the Company to cease doing business with the Company, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor or business relation and the Company (including, without limitation, making any negative or disparaging statements or communications regarding the Company) in the Geographic Area; provided, that the foregoing shall be limited to such employees, consultants, service providers, customers, suppliers, licensees, licensors or other business relations with which Executive had business dealings or about whom or which Executive acquired information or had access to the Company's confidential information about the customer, employee, consultant, service provider, suppliers, licensee or licensor during Executive's employment with the Company.

3. Enforcement. If, at the time of enforcement of Sections 1 or 2, a court or other governing body shall hold that the limitations as to time, geographic area or scope of activity stated herein are unreasonable under circumstances then existing, Executive agrees that the maximum limitations as to time, geographic area or scope of activity that are reasonable under such circumstances shall be substituted for the stated limitations and that the court or other governing body shall reform the restrictions contained herein to cover the maximum period, scope and area permitted by law. Executive acknowledges that the restrictions contained in Sections 1 and 2 are reasonable and necessary for the protection of the Company's confidential information, goodwill and other legitimate business interests. Executive acknowledges that any breach or threatened breach of the provisions of Sections 1 or 2 would cause the Company irreparable harm. Accordingly, in addition to other rights and remedies existing in its favor, the Company shall be entitled to seek specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security). Further, in the event of an alleged breach or violation of Section 1 or 2 by Executive, the Noncompete Period or Non-Solicit Period, as applicable, shall be tolled until such breach or violation has been duly cured and the Noncompete Period or Non-Solicit Period, as applicable, shall be extended by the period of time during which Executive was in breach of the restrictive covenants. The parties agree that because the Company is based in Texas and this Restrictive Covenants Agreement was negotiated, entered into and is performable in whole or in part in Texas, the laws of the State of Texas shall govern this Restrictive Covenants Agreement.

4. No Restriction on Earning a Living. By Executive's entrance into the Severance Agreement and this Restrictive Covenants Agreement, Executive hereby acknowledges that the provisions of this Restrictive Covenants Agreement do not preclude Executive from earning a

livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living. In addition, Executive hereby acknowledges that the potential harm to the Company of non-enforcement of this Restrictive Covenants Agreement outweighs any harm to Executive of enforcement (by injunction or otherwise) of this Restrictive Covenants Agreement against Executive.

5. Breach. If at any time before or after the date Executive's employment or other service relationship with the Company is terminated, Executive breaches any of the obligations under this Restrictive Covenants Agreement, then, in addition to all other legal and equitable remedies available to the Company, the Company may, by delivery of written notice to Executive within ninety (90) days after its actual knowledge of such breach, terminate Executive's right to receive any unpaid severance benefits and any unvested portion of any equity awards, require the repayment of any severance benefits previously paid and elect to purchase all or any portion of the Company common stock issued to Executive (to the extent not previously repurchased) upon vesting or exercise of an equity award at a price per share equal to the lower of fair market value as of the date of repurchase or the original purchase price paid by Executive. In the event Executive disposes of the shares of Company common stock acquired upon vesting or exercise of equity awards prior to the Company exercising its repurchase right pursuant to the preceding sentence, then Executive agrees to, within 10 days after receiving the Company's written notice in accordance with this Section 5, remit to the Company an amount equal to the fair market value of the shares of Company common stock so disposed, calculated as of the date Executive disposed of the shares of Company common stock. Each written notice in accordance with this Section 5 will identify the shares of Company common stock to be acquired from Executive, the repurchase price of such Company common stock and the time and place for the closing of the transaction. At the closing, the Company shall pay the repurchase price to Executive, and Executive shall transfer the shares of Company common stock being repurchased to the Company or the fair market value of such shares of Company common stock as of the date Executive disposed of them, as applicable. Executive hereby appoints the Company as Executive's attorney-in-fact to facilitate and effect any such repurchase.

(*Signature page follows*)

IN WITNESS WHEREOF, the Company and Executive have executed this Restrictive Covenants Agreement as of the Effective Date above.

AMERICAN AIRLINES GROUP, INC.

By: /s/ Michelle Earley

Title: SVP, Deputy General Counsel

Date: July 1, 2025

AMERICAN AIRLINES, INC.

By: /s/ Michelle Earley

Title: SVP, Deputy General Counsel

Date: July 1, 2025

EXECUTIVE

/s/ Anthony J. Richmond

Date: July 1, 2025

Annex 1

to

Restrictive Covenants Agreement

Competing Business Definition

Intentionally omitted pursuant to Regulation S-K, Item 601(a)(5)

AMERICAN AIRLINES GROUP, INC.

SEVERANCE AGREEMENT FOR EXECUTIVES

This Severance Agreement (the "***Agreement***") is made and entered into by and among Nathaniel Pieper ("***Executive***"), American Airlines Group, Inc., a Delaware corporation ("***Group***"), and American Airlines, Inc., a Delaware corporation and a wholly-owned subsidiary of Group ("***American***" and, together with Group, the "***Company***") effective as of the latest date set forth by the signatures of the parties hereto below (the "***Effective Date***").

R E C I T A L S

A. The Company believes that it is imperative to provide Executive with severance benefits upon certain terminations of Executive's service to the Company that enhance Executive's financial security and provide incentive and encouragement to Executive to remain with the Company.

B. Unless otherwise defined herein, capitalized terms used in this Agreement are defined in Section 10 below.

The parties hereto agree as follows:

1. Term of Agreement. This Agreement shall become effective as of the Effective Date and terminate upon the date that all obligations of the parties hereto with respect to this Agreement have been satisfied.

2. At-Will Employment. The Company and Executive acknowledge that Executive's employment is and shall continue to be "at-will," as defined under applicable law. If Executive's employment terminates for any reason, Executive shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided by this Agreement. Further, any termination of or changes in the terms or conditions of Executive's employment shall not affect the covenants set forth in the Restrictive Covenants Agreement (as defined below), which shall remain in full force and effect pursuant to their terms.

3. Covered Termination. If Executive experiences a Covered Termination, and delivers to the Company a general release of all claims against the Company and its affiliates substantially in the form attached hereto as Exhibit A (a "***Release of Claims***") that becomes effective and irrevocable within sixty (60) days, or such shorter period of time specified by the Company, following such Covered Termination (the "***Release Condition***"), and continues to comply with the requirements set forth in Section 13, then in addition to any accrued but unpaid salary, bonus, benefits, vacation and expense reimbursement payable in accordance with applicable law, the Company shall provide Executive with the following:

(a) Severance. Executive shall be entitled to receive a severance payment in an amount equal to the sum of (i) eighteen (18) months of Executive's base salary and (ii) 1.5 times Executive's target annual bonus assuming achievement of performance goals at target, in each

case, at the rate in effect immediately prior to the Termination Date (in each case, without giving effect to any reduction in base salary that gives rise to a Covered Termination for Good Reason), less applicable withholdings. This severance payment shall be made to Executive in substantially equal installments over the eighteen (18) months immediately following the date of the Covered Termination in accordance with the Company's normal payroll procedures with the first such installment to be made on the first payroll date following the date the Release of Claims becomes effective and irrevocable, provided, that if the Covered Termination occurs after November 1 of any year, the first such installment shall be made on the first payroll date of the subsequent year and, provided further, that, in each case, the first installment shall include any installment payments that would have been made had such installments commenced on the first payroll date after the Covered Termination.

(b) Continued Healthcare. As additional severance, Executive shall be entitled to receive a payment in an amount equal to the product of (i) eighteen (18) multiplied by (ii) the monthly premium for continued healthcare coverage pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") for Executive and Executive's covered dependents based on Executive's elected healthcare coverage and COBRA premium rates, in each case, in effect as of the Termination Date, payable in a lump sum, less applicable withholdings, no later than the first regular payroll date following the date the Release of Claims becomes effective and irrevocable. Executive acknowledges that Executive shall be solely responsible for all matters relating to any continuation of coverage pursuant to COBRA, including, without limitation, Executive's election of such coverage and Executive's timely payment of premiums.

(c) Equity Awards. Each outstanding and unvested equity award, including, without limitation, each restricted stock unit award, held by Executive shall remain outstanding following the Termination Date and continue to vest in accordance with its original vesting schedule during the eighteen (18) month period immediately following the Termination Date without regard to any continued service requirements but, for any performance-based award, subject to the attainment of the performance goals applicable to such award.

(d) Travel Privileges. Executive shall be eligible to receive travel privileges for Executive and Executive's eligible family members, pursuant to the terms and conditions of the Company's travel policy for officers, as amended from time to time, during the eighteen (18) month period immediately following the Termination Date, or, if applicable, the duration specified in Section 5 of this Agreement, whichever is greater. Executive's right to travel privileges shall be subject to all applicable taxes pursuant to the Company's then existing tax policies, and the Company will not provide any tax gross-up payments to Executive for taxes payable on such travels. The amount of travel privileges used by Executive in one year will not affect the amount of travel privileges Executive is entitled to use in any other year. The right to travel privileges provided in this Agreement is not subject to liquidation, cash out, or exchange for any other taxable or nontaxable benefit.

4. Covered Termination During a Change in Control Period. If Executive experiences a Covered Termination at any time during the period commencing on a Change in Control and

ending twenty-four (24) months following the Change in Control, and satisfies the Release Condition and continues to comply with the requirements set forth in Section 13, then in addition to the severance and other benefits Executive may be eligible for set forth in Section 3, each outstanding and unvested equity award including, without limitation, each restricted stock unit award, held by Executive shall automatically become vested and, if applicable, exercisable, and any forfeiture restrictions thereon shall immediately lapse, in each case, with respect to one hundred percent (100%) of the unvested shares underlying the equity award as of the Termination Date; provided that for any performance-based equity awards held by the Executive that vest based on the attainment of performance goals that remain unsatisfied as of immediately before the Termination Date, such performance goals shall be deemed achieved at the greater of target or the expected attainment level based on performance as of the Termination Date (as determined by the Board of Directors of the Company or its Compensation Committee).

5. Travel Privileges on Other Termination. If Executive terminates employment with the Company other than a termination of employment effected by the Company for Cause and Executive satisfied the Release Condition, then Executive shall be eligible to receive travel privileges for Executive and Executive's eligible family members, pursuant to the terms and conditions of the Company's travel policy for officers, as amended from time to time, during the Flight Benefit Period (as defined below). For the purposes hereof, "Flight Benefit Period" shall mean the period commencing the date Executive terminates employment with the Company and ending on the following annual anniversary of such termination date: (i) fifth anniversary for completion of five whole years of service (i.e. twelve full months) with oneworld and the Company, (ii) tenth anniversary for completion of six whole years of service with oneworld and the Company, and (iii) for the remainder of Executive's lifetime, for completion of seven whole years of service with oneworld and the Company; provided, that in each case, service with the Company shall be based on the number of whole years Executive served as an Executive Vice President of the Company reporting to the Chief Executive Officer. For the avoidance of doubt, if Executive has completed less than five whole years of service with oneworld and the Company, the Flight Benefit Period shall be zero. Executive's right to travel privileges shall be subject to all applicable taxes pursuant to the Company's then existing tax policies, and the Company will not provide any tax gross-up payments to Executive for taxes payable on such travels. The amount of travel privileges used by Executive in one year will not affect the amount of travel privileges Executive is entitled to use in any other year. The right to travel privileges provided in this Agreement is not subject to liquidation, cash out, or exchange for any other taxable or nontaxable benefit.

6. Certain Reductions. Notwithstanding anything herein to the contrary, the Company shall reduce Executive's severance benefits under this Agreement, in whole or in part, by any other severance benefits, pay in lieu of notice, or other similar benefits payable to Executive by the Company in connection with Executive's termination, including but not limited to payments or benefits pursuant to (a) any applicable legal requirement, including, without limitation, the Worker Adjustment and Retraining Notification Act, or (b) any other Company agreement, arrangement, policy or practice relating to Executive's termination of employment with the Company. The benefits provided under this Agreement are intended to satisfy, to the greatest extent possible, any and all statutory obligations that may arise out of Executive's termination of

employment. Such reductions shall be applied on a retroactive basis, with severance benefits previously paid being recharacterized as payments pursuant to the Company's statutory obligation.

7. Deemed Resignation. Upon termination of Executive's employment for any reason, Executive shall be deemed to have resigned from any and all offices and directorships then held with the Company or any of its affiliates, and, at the Company's request, Executive shall execute such documents as are necessary or desirable to effectuate such resignations.

8. Other Terminations. If Executive's service with the Company is terminated by the Company or by Executive for any or no reason other than as a Covered Termination, then Executive shall not be entitled to any benefits hereunder other than accrued but unpaid salary, bonus, vacation and expense reimbursement in accordance with applicable law, the travel privileges under Section 5, and to elect any continued healthcare coverage as may be required under COBRA or similar state law.

9. Limitation on Payments. Notwithstanding anything in this Agreement to the contrary, if any payment or distribution Executive would receive pursuant to this Agreement or otherwise ("***Payment***") would (a) constitute a "parachute payment" within the meaning of Section 280G of the Code and (b) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment shall either be (i) delivered in full, or (ii) delivered as to such lesser extent which would result in no portion of such Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by Executive on an after-tax basis, of the largest payment, notwithstanding that all or some portion of the Payment may be taxable under Section 4999 of the Code. The accounting firm engaged by the Company for general audit purposes as of the day prior to the effective date of the change in control shall perform the foregoing calculations. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The accounting firm shall provide its calculations to the Company and Executive within fifteen (15) calendar days after the date on which Executive's right to a Payment is triggered (if requested at that time by the Company or Executive) or such other time as requested by the Company or Executive. Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon the Company and Executive. Any reduction in payments and/or benefits pursuant to this Section 9 will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits payable to Executive.

10. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

(a) "***Cause***" means (a) Executive's willful and continued failure to perform Executive's duties (other than any such failure resulting from Executive's incapacity due to physical or mental illness) after written notice of such failure has been given to Executive by the Company and Executive has had a reasonable period (but not more than fifteen (15) days) after

receipt of such notice to correct such failure; (b) the unlawful or willful commission by Executive of any act that is dishonest and demonstrably injurious to the Company or any of its subsidiaries in any material respect; (c) the conviction of, or plea of guilty or *nolo contendere* to, a felony offense by Executive; (d) habitual drug or alcohol abuse that impairs Executive's ability to perform the essential duties of Executive's position or the Executive's possession or use of illegal drugs on the Company's premises; (e) embezzlement, fraud or any other illegal act against the Company or any illegal act committed in connection with Executive's performance of Executive's duties; (f) any material breach by Executive of any material Company policy (other than inadvertent actions taken in good faith), including without limitation the Company's code of conduct and those policies regarding ethics, unlawful harassment, workplace safety, or workplace discrimination; or (g) a material breach by Executive of any agreement between the Company and Executive, but only if such breach shall continue unremedied for more than fifteen (15) days after written notice thereof is given to Executive by the Company.

(b) "***Change in Control***" means a "Change in Control" as defined in the Company's 2023 Incentive Award Plan.

(c) "***Covered Termination***" means the termination of Executive's employment with the Company effected by the Company other than for Cause or Executive's resignation of employment with the Company for Good Reason. For the avoidance of doubt, a Covered Termination shall not include Executive's termination of employment due to death or disability.

(d) "***Good Reason***" means the occurrence of any of the following without Executive's written consent: (i) a material adverse alteration by the Company in Executive's base compensation, which is comprised of base salary and target cash incentive opportunity (except where such reduction to base compensation proportionately affects all similarly situated employees of the Company), position, function, duties or responsibilities; (ii) the relocation of Executive outside of the metropolitan area in which Executive is based; or (iii) a material breach by the Company of any written agreement between Executive and the Company; provided, that no resignation for Good Reason shall be effective unless and until (1) Executive has first provided the Company with written notice specifically identifying the acts or omissions constituting the grounds for "Good Reason" within thirty (30) days after the occurrence thereof, (2) the Company has not cured such acts or omissions that are capable of cure within thirty (30) days of its actual receipt of such notice, and (3) the effective date of Executive's termination for Good Reason occurs no later than sixty (60) days after the initial existence of the facts or circumstances constituting Good Reason.

(e) "***Termination Date***" means the date Executive experiences a Covered Termination.

11. Successors.

(a) Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets shall assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to

the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "***Company***" shall include any successor to the Company's business and/or assets which executes and delivers the assumption agreement described in this Section 11(a) or which becomes bound by the terms of this Agreement by operation of law.

(b) Executive's Successors. The terms of this Agreement and all rights of Executive hereunder shall inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

12. Notices. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or one day following mailing via Federal Express or similar overnight courier service. In the case of Executive, mailed notices shall be addressed to Executive at Executive's home address that the Company has on file for Executive. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of the Chief Executive Officer.

13. Covenants. As a condition to entering into this Agreement, which provides eligibility to receive benefits under Sections 3, 4 and 5 of this Agreement, Executive must agree to and comply with the requirements set forth in this Section 13. For the avoidance of doubt, the covenants set forth in this Section 12 and the Restrictive Covenants Agreement (as defined below) apply to Executive whether or not Executive receives any benefits under Sections 3, 4 and 5 of this Agreement. Without limiting any other remedy set forth herein or in the Restrictive Covenants Agreement, in the event Executive fails to satisfy the requirements set forth in this Section 13 and the Restrictive Covenants Agreement in any material respect, the Company shall have no obligation to pay or to continue the benefits under Sections 3, 4 and 5 of this Agreement.

(a) Restrictive Covenants. The Company (which as used in this Section 13(a) shall include the Company and any of its affiliates) operates in a highly sensitive and competitive commercial environment. As part of Executive's employment (which as used in this Section 13(a) shall include engagement as an independent contractor or other non-employee role as well) with the Company, Executive has been and will continue to be exposed to highly confidential and sensitive information regarding the Company's business operations, including corporate strategy, pricing, and other market information, know-how, trade secrets, and valuable customer, supplier, and employee relationships. It is critical that the Company take all necessary steps to safeguard its legitimate protectable interests in such information and to prevent any of its competitors or any other persons from obtaining any such information. Therefore, as consideration for and ancillary to the Company's agreement to enter into this Agreement with Executive, and to protect the goodwill and other legitimate business interests of the Company, Executive shall enter into, and shall abide by, the terms and conditions of the restrictive covenants concerning confidentiality, noncompetition and nonsolicitation contained in Exhibit B attached hereto (the "***Restrictive Covenants Agreement***") between Executive and Group, which is hereby incorporated herein by reference. By entering into this Agreement, Executive acknowledges and agrees that Executive has read and understood the Restrictive Covenants

Agreement and has had an opportunity to seek the advice of an attorney prior to entering into this Agreement and entering into, or agreeing to enter into, the Restrictive Covenants Agreement.

(b) Non-Disparagement. Executive agrees that Executive shall not disparage, criticize or defame the Company, its affiliates and their respective affiliates, directors, officers, agents, partners, stockholders or employees, either publicly or privately. The Company agrees that it shall not, and it shall instruct its executive officers to not, disparage, criticize or defame Executive, either publicly or privately. Nothing in this Section 13(b) shall have application to any evidence or testimony required by any court, arbitrator or government agency.

(c) Return of Documents and Property. Executive will no later than the Termination Date turn over to the Company all physical or personal property that are the property of the Company and that Executive had in Executive's possession, custody or control, including, without limitation, Executive's laptop computer, along with all other equipment and originals and copies of correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents, or any other documents concerning the Company's customers, business plans, marketing strategies, products, processes or business of any kind and/or which contain proprietary information or trade secrets which are in the possession or control of Executive or Executive's agents or representatives. These obligations include the return of any electronic information or data that belongs to the Company.

(d) Clawback Policy. Executive acknowledges that Executive shall remain subject to the Company's or the Group's Clawback Policy, as may be amended from time to time, to the extent provided therein or otherwise required by applicable law.

(e) Forfeiture; Repayment. If Executive materially breaches Sections 13(a)-(d) and the Company delivers written notice to Executive of such material breach within ninety (90) days after the Company's Chief Executive Officer's first acquires actual knowledge of such material breach, then Executive shall (i) forfeit any and all rights to any future payments or benefits to be made or provided under Sections 3, 4 and 5 of this Agreement and (ii) reimburse the Company for all payments made and the value of all benefits received by Executive and Executive's dependents (if any) up to and through the date of such breach, with interest at the prime rate published by the Wall Street Journal on the date the Company sends written demand for reimbursement, compounded annually, from the date such payments or benefits were made until the date of repayment.

14. Dispute Resolution. To ensure the timely and economical resolution of disputes that arise in connection with this Agreement, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment (excluding any disputes arising under the Restrictive Covenants Agreement), shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration in Tarrant County, Texas through Judicial Arbitration & Mediation Services/Endispute ("***JAMS***") in conformity with the then-existing JAMS employment arbitration rules and Texas law. A link to the current JAMS employment arbitration rules follows: https://www.jamsadr.com/rules-employment-arbitration/english. **By agreeing to this arbitration procedure, both Executive**

and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The Company shall pay all JAMS's arbitration fees in excess of the amount of court fees that would be required if the dispute were decided in a court of law. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Notwithstanding the foregoing, Executive and the Company each have the right to resolve any issue or dispute over intellectual property rights or arising under the Restrictive Covenants Agreement by Court action instead of arbitration. The parties agree to resolve all disputes excluded from arbitration in a court of competent jurisdiction located in Texas sitting without a jury and each party waives its right to a jury trial in any such dispute.

15. Miscellaneous Provisions.

(a) Section 409A.

(i) Separation from Service. Notwithstanding any provision to the contrary in this Agreement, no amount deemed deferred compensation subject to Section 409A of the Code shall be payable pursuant to Sections 3, 4 and 5 above unless Executive's termination of employment constitutes a "separation from service" with the Company within the meaning of Section 409A of the Code and the Department of Treasury regulations and other guidance promulgated thereunder ("***Separation from Service***") and, except as provided under Section 15(a)(ii) of this Agreement, any such amount shall not be paid, or in the case of installments, commence payment, until the sixtieth (60^{th}) day following Executive's Separation from Service. Any installment payments that would have been made to Executive during the sixty (60) day period immediately following Executive's Separation from Service but for the preceding sentence shall be paid to Executive on the sixtieth (60^{th}) day following Executive's Separation from Service and the remaining payments shall be made as provided in this Agreement.

(ii) Specified Employee. Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed at the time of Executive's separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the benefits to which Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of Executive's benefits shall not be provided to Executive prior to the earlier of (A) the expiration of the six (6)-month period measured from the date of Executive's Separation from Service or (B) the date of Executive's death. Upon the first business day following the expiration of the applicable Code Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Section 14(a)(ii) shall be paid in a lump sum to Executive, and any remaining payments due under this Agreement shall be paid as otherwise provided herein.

(iii) Expense Reimbursements. To the extent that any reimbursements payable pursuant to this Agreement are subject to the provisions of Section 409A of the Code, any such reimbursements payable to Executive pursuant to this Agreement shall be paid to Executive no later than December 31st of the year following the year in which the expense was incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, and Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(iv) Installments. For purposes of Section 409A of the Code (including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment.

(b) Waiver. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Whole Agreement. This Agreement and the agreements and provisions incorporated in this Agreement, including, without limitation, the Restrictive Covenants Agreement and the award agreements and equity plans governing the terms of Executive's outstanding and unvested equity awards, represent the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior promises, arrangements and understandings regarding same, whether written or unwritten, or previously approved by the Board of Directors of the Company.

(d) Choice of Law. This Agreement was negotiated, entered into and is performable, in whole or in part, in Tarrant County, Texas. Therefore, the validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Texas.

(e) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(f) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

(*Signature page follows*)

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

AMERICAN AIRLINES GROUP, INC.

By: /s/ Michelle Earley

Title: SVP, Deputy General Counsel & Corporate Secretary

Date: January 5, 2026

AMERICAN AIRLINES, INC.

By: /s/ Michelle Earley

Title: SVP, Deputy General Counsel and Corporate Secretary

Date: January 5, 2026

EXECUTIVE

/s/ Nathaniel Pieper
Name: Nathaniel Pieper

Date: January 5, 2026

EXHIBIT A

RELEASE OF CLAIMS

This Release of Claims ("***Release***") is entered into as of [_____] among Nathaniel Pieper ("***Executive***") and American Airlines Group, Inc., a Delaware corporation ("***Group***"), and American Airlines, Inc., a Delaware corporation and a wholly-owned subsidiary of Group ("***American***" and, together with Group, the "***Company***," and, collectively with Executive, the "***Parties***"), effective eight days after Executive's signature hereto (the "***Effective Date***"), unless Executive revokes Executive's acceptance of this Release as provided in Paragraph 1(c), below.

1. Executive's Release of the Company. Executive understands that by agreeing to this Release, Executive is agreeing not to sue, or otherwise file any claim against, the Company or any of its employees or other agents for any reason whatsoever based on anything that has occurred as of the date Executive signs this Release.

(a) On behalf of Executive and Executive's heirs and assigns, Executive hereby releases and forever discharges the "***Releasees***" hereunder, consisting of the Company, and each of its owners, affiliates, divisions, predecessors, successors, assigns, agents, directors, officers, partners, employees, and insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, loss, cost or expense, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "***Claims***"), which Executive now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof, including, without limiting the generality of the foregoing, any Claims arising out of, based upon, or relating to Executive's hire, employment, remuneration or resignation by the Releasees, or any of them, including Claims arising under federal, state, or local laws relating to employment, Claims of any kind that may be brought in any court or administrative agency, any Claims arising under the Age Discrimination in Employment Act ("***ADEA***"), 29 U.S.C. § 621, et seq.; Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, 42 U.S.C. § 2000 et seq.; the Equal Pay Act, 29 U.S.C. § 206(d); the Civil Rights Act of 1866, 42 U.S.C. § 1981; the Family and Medical Leave Act of 1993, 29 U.S.C. § 2601 et seq.; the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq.; the False Claims Act, 31 U.S.C. § 3729 et seq.; the Employee Retirement Income Security Act, 29 U.S.C. § 1001 et seq.; the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101 et seq. the Fair Labor Standards Act, 29 U.S.C. § 215 et seq., the Sarbanes-Oxley Act of 2002; the Texas Labor Code (specifically including the Texas Payday Law, the Texas Anti-Retaliation Act, Chapter 21 of the Texas Labor Code, and the Texas Whistleblower Act); and any and all other federal, state and local laws, statutes, executive orders, regulations municipal ordinances, common law, and any other jurisdiction worldwide; Claims for breach of contract; Claims arising in tort, including, without limitation, Claims

of wrongful dismissal or discharge, discrimination, harassment, retaliation, fraud, misrepresentation, defamation, libel, infliction of emotional distress, violation of public policy, and/or breach of the implied covenant of good faith and fair dealing; and Claims for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney's fees.

(b) Notwithstanding the generality of the foregoing, Executive does not release the following claims:

(i) Claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law;

(ii) Claims for workers' compensation insurance benefits under the terms of any worker's compensation insurance policy or fund of the Company;

(iii) Claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA;

(iv) Claims to any benefit entitlements vested as the date of Executive's employment termination, pursuant to written terms of any Company employee benefit plan;

(v) Claims for indemnification under any indemnification agreement with the Company, the Company's Bylaws, any other applicable law or the Company's directors and officers liability insurance policy; and

(vi) Executive's right to bring to the attention of the Equal Employment Opportunity Commission claims of discrimination; provided, however, that Executive does release Executive's right to secure any damages for alleged discriminatory treatment.

(c) In accordance with the Older Workers Benefit Protection Act of 1990, Executive has been advised of the following:

(i) Executive has the right to consult with an attorney before signing this Release;

(ii) Executive has been given at least twenty-one (21) days to consider this Release;

(iii) Executive has seven (7) days after signing this Release to revoke it, and Executive will not receive the severance benefits provided by that certain Severance Agreement among the Parties (the "***Severance Agreement***") unless and until such seven (7) day period has expired. If Executive wishes to revoke this Release, Executive must deliver notice of Executive's revocation in writing, no later than 5:00 p.m. on the 7th day following Executive's execution of this Release to [_____].

2. Executive Representations. Executive represents and warrants that:

(a) Executive has returned to the Company all Company property in Executive's possession;

(b) Executive is not owed wages, commissions, bonuses or other compensation, other than wages through the date of the termination of Executive's employment and any accrued, unused vacation earned through such date, and any payments that become due under the Severance Agreement;

(c) During the course of Executive's employment Executive did not sustain any injuries for which Executive might be entitled to compensation pursuant to worker's compensation law or Executive has disclosed any injuries of which Executive is currently, reasonably aware for which Executive might be entitled to compensation pursuant to worker's compensation law; and

(d) Executive has not initiated any adversarial proceedings of any kind against the Company or against any other person or entity released herein, nor will Executive do so in the future, except as specifically allowed by this Release.

3. Severability. The provisions of this Release are severable. If any provision is held to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provision.

4. Choice of Law. This Release shall in all respects be governed and construed in accordance with the laws of the State of Texas, including all matters of construction, validity and performance, without regard to conflicts of law principles.

5. Integration Clause. This Release and the Severance Agreement contain the Parties' entire agreement with regard to the separation of Executive's employment, and supersede and replace any prior agreements as to those matters, whether oral or written. This Release may not be changed or modified, in whole or in part, except by an instrument in writing signed by Executive and a duly authorized officer or director of the Company.

6. Execution in Counterparts. This Release may be executed in counterparts with the same force and effectiveness as though executed in a single document. Facsimile signatures shall have the same force and effectiveness as original signatures.

7. Intent to be Bound. The Parties have carefully read this Release in its entirety; fully understand and agree to its terms and provisions; and intend and agree that it is final and binding on all Parties.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed the foregoing on the dates shown below.

AMERICAN AIRLINES GROUP, INC.
By: _____
Title: _____
Date: _____

AMERICAN AIRLINES, INC.
By: _____
Title: _____
Date: _____

EXECUTIVE

Date: _____

EXHIBIT B

RESTRICTIVE COVENANTS AGREEMENT

This Restrictive Covenants Agreement ("***Restrictive Covenants Agreement***") is entered into by and between American Airlines Group, Inc. on behalf of itself, its subsidiaries, and other affiliates (collectively referred to herein as the "***Company***"), and Nathaniel Pieper ("***Executive***"), as of November 17, 2025 (the "***Effective Date***"), as consideration for and ancillary to the Company's agreement to enter into the severance agreement to which this Restrictive Covenants Agreement is attached (the "***Severance Agreement***"), and to protect the goodwill and other legitimate business interests of the Company.

1. Confidentiality. In furtherance of Executive's job duties, the Company agrees to provide Executive with access to and use of certain of the Company's confidential or proprietary information that the Company deems necessary and reasonable for Executive to perform Executive's job duties, Executive agrees to safeguard the confidentiality of such information, and to not use or disclose any of the Company's confidential or proprietary information without the Company's written approval, except as reasonably necessary to carry out Executive's job duties. For the avoidance of doubt, the foregoing restrictions shall not apply to information that is or becomes generally known in the public through lawful means, and not through a breach of this Restrictive Covenants Agreement or other legal or contractual obligation. In addition, Executive acknowledges that Executive continues to be bound by the confidentiality provisions contained in the Company's Standards of Business Conduct, the terms and conditions of which are incorporated herein by reference. Nothing herein shall be deemed to limit in any way Executive's obligations under the Company's Standards of Business Conduct. In the event of any conflict between the terms hereof and the terms of the Company's Standards of Business Conduct, the more restrictive terms shall prevail. For the avoidance of doubt, nothing in this Restrictive Covenants Agreement or the Company's Standards of Business Conduct will be construed to prohibit Executive from filing a charge with, reporting possible violations to, or participating or cooperating with any governmental agency or entity, including but not limited to the EEOC, the Department of Justice, the Securities and Exchange Commission, Congress, or any agency Inspector General, or making other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation; provided, however, that Executive may not disclose information of the Company or any of their affiliates that is protected by the attorney-client privilege, except as otherwise required by law. Executive does not need the prior authorization of the Company to make any such reports or disclosures, and Executive is not required to notify the Company that Executive has made such reports or disclosures. Executive acknowledges receipt of notice of immunity rights under the U.S. Defend Trade Secrets Act, which states: (1) an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (2) an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use

the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

2. Non-Competition; Non-Solicitation.

(a) Executive acknowledges that during the course of Executive's employment (which as used in this Restrictive Covenants Agreement shall include engagement as an independent contractor or other non-employee role as well) with the Company, Executive has and shall become familiar with the Company's corporate strategy, pricing and other market information, know-how, trade secrets, and valuable customer, supplier and employee relationships, and with other confidential or proprietary information concerning the Company, and that Executive's services shall be of special, unique and extraordinary value to the Company. Executive also acknowledges that the Company's business, through (A) the location of its customers and facilities and (B) the area in which its services are offered, is international in scope and extends worldwide. Accordingly, Executive agrees that, during Executive's employment with the Company and for eighteen (18) months thereafter (unless some longer period is specified in any other agreement between Executive and the Company) (the "***Noncompete Period***"), Executive shall not directly or indirectly: (i) own any interest in, manage, control, or in any other manner engage in, or take significant steps to engage in, any Competing Business (as defined on Annex 1 to this Agreement), provided nothing herein shall prohibit Executive from being a passive owner of not more than two percent (2%) of the outstanding stock of any class of the stock of a corporation which is publicly traded, so long as Executive has no active participation in the business of such corporation, or (ii) be employed by, consult with, or render services to any Competing Business, whether as an employee, consultant, contractor, advisor, member, director, or otherwise, in a role that is similar to any role Executive held at any time while employed by the Company, that is executive or managerial in nature, or in which Executive could reasonably be expected to use or disclose any of confidential or proprietary information of the Company, in either case (i) or (ii), in any state, country and area where the Company conducts business during Executive's employment with the Company or has material plans to conduct business as of the termination of such employment (the "***Geographic Area***").

(b) During Executive's employment with the Company and for twenty-four (24) months thereafter (the "***Non-Solicit Period***"), Executive shall not directly or indirectly through another individual, corporation, partnership, limited liability company, joint venture, estate, trust, association, unincorporated organization or other entity or group (A) solicit for employment or hire, employ or hire, or otherwise induce or attempt to induce any employee, consultant or other service provider of the Company to leave the employ or engagement of the Company, or in any way interfere with the relationship between the Company and any employee, consultant, or other service provider thereof, (B) solicit the business of or offer or provide services that are similar to the Company's services to any of the Company's customers, or (C) induce or encourage any customer,

supplier, licensee, licensor or other business relation of the Company to cease doing business with the Company, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor or business relation and the Company (including, without limitation, making any negative or disparaging statements or communications regarding the Company) in the Geographic Area; provided, that the foregoing shall be limited to such employees, consultants, service providers, customers, suppliers, licensees, licensors or other business relations with which Executive had business dealings or about whom or which Executive acquired information or had access to the Company's confidential information about the customer, employee, consultant, service provider, suppliers, licensee or licensor during Executive's employment with the Company.

3. Enforcement. If, at the time of enforcement of Sections 1 or 2, a court or other governing body shall hold that the limitations as to time, geographic area or scope of activity stated herein are unreasonable under circumstances then existing, Executive agrees that the maximum limitations as to time, geographic area or scope of activity that are reasonable under such circumstances shall be substituted for the stated limitations and that the court or other governing body shall reform the restrictions contained herein to cover the maximum period, scope and area permitted by law. Executive acknowledges that the restrictions contained in Sections 1 and 2 are reasonable and necessary for the protection of the Company's confidential information, goodwill and other legitimate business interests. Executive acknowledges that any breach or threatened breach of the provisions of Sections 1 or 2 would cause the Company irreparable harm. Accordingly, in addition to other rights and remedies existing in its favor, the Company shall be entitled to seek specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security). Further, in the event of an alleged breach or violation of Section 1 or 2 by Executive, the Noncompete Period or Non-Solicit Period, as applicable, shall be tolled until such breach or violation has been duly cured and the Noncompete Period or Non-Solicit Period, as applicable, shall be extended by the period of time during which Executive was in breach of the restrictive covenants. The parties agree that because the Company is based in Texas and this Restrictive Covenants Agreement was negotiated, entered into and is performable in whole or in part in Texas, the laws of the State of Texas shall govern this Restrictive Covenants Agreement.

4. No Restriction on Earning a Living. By Executive's entrance into the Severance Agreement and this Restrictive Covenants Agreement, Executive hereby acknowledges that the provisions of this Restrictive Covenants Agreement do not preclude Executive from earning a livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living. In addition, Executive hereby acknowledges that the potential harm to the Company of non-enforcement of this Restrictive Covenants Agreement outweighs any harm to Executive of enforcement (by injunction or otherwise) of this Restrictive Covenants Agreement against Executive.

5. Breach. If at any time before or after the date Executive's employment or other service relationship with the Company is terminated, Executive breaches any of the obligations

under this Restrictive Covenants Agreement, then, in addition to all other legal and equitable remedies available to the Company, the Company may, by delivery of written notice to Executive within ninety (90) days after its actual knowledge of such breach, terminate Executive's right to receive any unpaid severance benefits and any unvested portion of any equity awards, require the repayment of any severance benefits previously paid and elect to purchase all or any portion of the Company common stock issued to Executive (to the extent not previously repurchased) upon vesting or exercise of an equity award at a price per share equal to the lower of fair market value as of the date of repurchase or the original purchase price paid by Executive. In the event Executive disposes of the shares of Company common stock acquired upon vesting or exercise of equity awards prior to the Company exercising its repurchase right pursuant to the preceding sentence, then Executive agrees to, within 10 days after receiving the Company's written notice in accordance with this Section 5, remit to the Company an amount equal to the fair market value of the shares of Company common stock so disposed, calculated as of the date Executive disposed of the shares of Company common stock. Each written notice in accordance with this Section 5 will identify the shares of Company common stock to be acquired from Executive, the repurchase price of such Company common stock and the time and place for the closing of the transaction. At the closing, the Company shall pay the repurchase price to Executive, and Executive shall transfer the shares of Company common stock being repurchased to the Company or the fair market value of such shares of Company common stock as of the date Executive disposed of them, as applicable. Executive hereby appoints the Company as Executive's attorney-in-fact to facilitate and effect any such repurchase.

(*Signature page follows*)

IN WITNESS WHEREOF, the Company and Executive have executed this Restrictive Covenants Agreement as of the Effective Date above.

AMERICAN AIRLINES GROUP, INC.

By: /s/ Michelle Earley

Title: SVP, Deputy General Counsel & Corporate Secretary

Date: January 5, 2026

EXECUTIVE

/s/ Nathaniel Pieper
Name: Nathaniel Pieper

Date: January 5, 2026

Annex 1

to

Restrictive Covenants Agreement

Competing Business Definition

Intentionally omitted pursuant to Regulation S-K, Item 601(a)(5)

Exhibit 21.1

American Airlines Group Inc.
Subsidiaries of the Registrant
As of December 31, 2025

Subsidiary companies of American Airlines Group Inc. are listed below. With respect to the companies named, all voting securities are owned directly or indirectly by the Registrant, except where otherwise indicated.

Name of Subsidiary	State or Sovereign Power of Incorporation
Subsidiaries included in the Registrant's consolidated financial statements	
AAG Private Placement-1 Parent LLC	Delaware
AAG Private Placement-1 LLC	Delaware
American Airlines, Inc.	Delaware
AAdvantage Holdings 1, Ltd.	Cayman Islands
AAdvantage Holdings 2, Ltd.	Cayman Islands
AAdvantage Loyalty IP, Ltd.	Cayman Islands
Madrid IP Lux GP Sá.r.l	Luxembourg
Madrid IP Lux HoldCo SCS	Luxembourg
Madrid IP Lux HoldCo 2 SCS	Luxembourg
American Airlines Cargo Funding, LLC	Delaware
AAI Technology Services LLC	Delaware
American Airlines Services India LLP	India
American Airlines Marketing Services LLC	Virginia
American Aviation Supply LLC	Delaware
American Airlines Travel LLC	Texas
2013-2B, LLC	Delaware
Americas Ground Services, Inc.	Delaware
International Ground Services, S.A. de C.V.	Mexico
Avion Assurance Ltd.	Bermuda
Envoy Aviation Group Inc.	Delaware
Eagle Aviation Services, Inc.	Delaware
Envoy Air Inc. (operates under the trade name "American Eagle")	Delaware
Executive Airlines, Inc.	Delaware
FLAAG 2017-1 OPP LLC	Delaware
FLAAG 2017-1 OP-A LLC	Delaware
FLAAG 2017-1 OP-B LLC	Delaware
FLAAG 2019-1 OPP LLC	Delaware
FLAAG 2019-1 OP-A LLC	Delaware
FLAAG 2019-1 OP-B LLC	Delaware
FLAAG 2019-1 OP-C LLC	Delaware
J-CRJ900 LLC	Delaware
Piedmont Airlines, Inc. (operates under the trade name "American Eagle")	Maryland
PMA Investment Subsidiary, Inc.	Delaware
PSA Airlines, Inc. (operates under the trade name "American Eagle")	Pennsylvania

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-271802 and No. 333-192660) on Form S-8 and (No.333-269990) on Form S-3 of our reports dated February 18, 2026, with respect to the consolidated financial statements of American Airlines Group Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Dallas, Texas

February 18, 2026

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statement (No. 333-269990-01) on Form S-3 of our reports dated February 18, 2026, with respect to the consolidated financial statements of American Airlines, Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Dallas, Texas

February 18, 2026

Exhibit 31.1

CEO CERTIFICATION

I, Robert D. Isom, certify that:

1. I have reviewed this Annual Report on Form 10-K of American Airlines Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2026

/s/ Robert D. Isom
Name: Robert D. Isom
Title: Chief Executive Officer and President

Exhibit 31.2

CFO CERTIFICATION

I, Devon E. May, certify that:

1. I have reviewed this Annual Report on Form 10-K of American Airlines Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2026

/s/ Devon E. May

Name: Devon E. May
Title: Executive Vice President and
Chief Financial Officer

Exhibit 31.3

CEO CERTIFICATION

I, Robert D. Isom, certify that:

1. I have reviewed this Annual Report on Form 10-K of American Airlines, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2026

/s/ Robert D. Isom
Name: Robert D. Isom
Title: Chief Executive Officer and President

Exhibit 31.4

CFO CERTIFICATION

I, Devon E. May, certify that:

1. I have reviewed this Annual Report on Form 10-K of American Airlines, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2026

/s/ Devon E. May

Name: Devon E. May
Title: Executive Vice President and
Chief Financial Officer

Exhibit 32.1

Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K of American Airlines Group Inc. (the "Company") for the year ended December 31, 2025 (the "Report"), Robert D. Isom, as Chief Executive Officer and President of the Company, and Devon E. May, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert D. Isom
Name: Robert D. Isom
Title: Chief Executive Officer and President
Date: February 18, 2026

/s/ Devon E. May
Name: Devon E. May
Title: Executive Vice President and
Chief Financial Officer
Date: February 18, 2026

This certification is being furnished to accompany the Report pursuant to 18 U.S.C. § 1350 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32.2

Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K of American Airlines, Inc. (the "Company") for the year ended December 31, 2025 (the "Report"), Robert D. Isom, as Chief Executive Officer and President of the Company, and Devon E. May, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert D. Isom
Name: Robert D. Isom
Title: Chief Executive Officer and President
Date: February 18, 2026

/s/ Devon E. May
Name: Devon E. May
Title: Executive Vice President and
Chief Financial Officer
Date: February 18, 2026

This certification is being furnished to accompany the Report pursuant to 18 U.S.C. § 1350 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.