



Los Angeles World Airports

June 23, 2009

LAX
 LA/Ontario
 LA/Palmdale
 Van Nuys
 City of Los Angeles
 Antonio R. Villaraigosa
 Mayor
 Board of Airport
 Commissioners
 Alan I. Rothenberg
 President
 Valeria C. Velasco
 Vice President
 Joseph A. Aredas
 Michael A. Lawson
 Fernando M. Torres-Gil
 Walter Zifkin
 Gina Marie Lindsey
 Executive Director

The Honorable City Council
 of the City of Los Angeles
 City Hall, Room 395
 Los Angeles, CA 90012

SUBJECT: Gate and Operations Agreement with American Airlines, Inc. providing for certain rights regarding gate utilization, facilities and credits for busing costs at Los Angeles International Airport

In accordance with Section 373 of the City Charter, the Board of Airport Commissioners hereby transmits for your approval the Gate and Operations Agreement with American Airlines, Inc. providing for certain rights regarding gate utilization, facilities and credits for busing costs at Los Angeles International Airport.

RECOMMENDATIONS FOR CITY COUNCIL

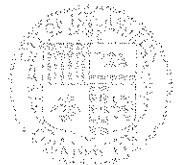
1. APPROVE the Gate and Operations Agreement;
2. CONCUR in the Board of Airport Commissioners action authorizing the Executive Director to execute said Gate and Operations Agreement;
3. FIND that the recommended action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

The Board of Airport Commissioners, at their meeting held on June 22, 2009, by Board Resolution No. 23847, approved the Gate and Operations Agreement with American Airlines, Inc., subject to approval by your Honorable Body.

There is no fiscal impact to the City's General Fund as a result of this action.

CONCLUSION

Please return the attached Gate and Operations Agreement to the Board Office of the Department of Airports upon City Council approval and Certification of such approval.



Los Angeles City Council
June 23, 2009
Page 2

Very truly yours,

A handwritten signature in black ink, appearing to read "Grace Miguel". The signature is fluid and cursive, with a large loop at the end.

Grace Miguel, Commission Executive Assistant I
BOARD OF AIRPORT COMMISSIONERS

cc: Trade, Commerce and Tourism Committee
Councilmember Hahn, e-file
Councilmember Rosendahl, e-file
Councilmember LaBonge, e-file
CAO (Airport Analyst), e-file
CLA (Airport Analyst), e-file
City Clerk's Office, Enc. (one original and one copy)



Los Angeles World Airports

RESOLUTION NO. 23847

WHEREAS, on recommendation of Management, there has been presented for approval, Gates and Operations Agreement with American Airlines, Inc. providing for certain rights regarding gate utilization, facilities and credits for busing costs at Los Angeles International Airport; and

WHEREAS, the Los Angeles City Council affirmed the Board of Airport Commissioners (BOAC) certification of the Final Environmental Impact Report (EIR) for, and approved, the Crossfield Taxiway Project ("Project"), which includes, but is not limited to, demolition and removal of existing improvements and construction of various new improvements. The Project will realign World Way West road and construct two (2) bridges over the road: one for aircraft crossing as a part of Taxiway C13, and the other for vehicular traffic. It will provide wider taxiways needed to accommodate the new large aircraft that have begun operations at Los Angeles International Airport ("LAX"). The taxiway improvements will help alleviate airfield congestion. One of the primary benefits of the Project is improved airfield access to allow Federal Aviation Administration Air Traffic Control Tower staff to better maintain a balance in the number of aircraft arrival operations between the two (2) runway complexes; and

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Executive Director

WHEREAS, on April 6, 2009, in preparation for the mid-April 2009 commencement of initial Project work, the BOAC approved a Right of Entry and Construction Commencement Agreement ("ROE") between Los Angeles World Airports (LAWA) and American Airlines, Inc. ("American") to allow LAWA early access to Project construction areas. The ROE was necessitated by the fact that American's two (2) aircraft maintenance leaseholds will be significantly impacted by Project construction. American and LAWA have negotiated a Memorandum of Agreement (MOA) to address all issues associated with LAWA gaining control of, and access to, areas needed for the Project but under lease to American. Among other items contemplated in the MOA, LAWA and American agreed to negotiate Amendments to the two (2) American aircraft maintenance leases to provide for deletion and addition of premises. During the MOA negotiations, American made its agreement on the MOA contingent on obtaining certain preferential gate use rights. Accordingly, LAWA staff and American negotiated a Gate and Operations Agreement ("GOA") to provide American certain rights regarding gate utilization and facilities at LAX; and

WHEREAS, key elements of the GOA include the following:

- **Term:** The term shall expire upon termination or expiration of American Terminal Facilities Lease No. LAA-4687 for Terminal 4 that is scheduled to expire on December 4, 2024.
- **American Eagle Use of South Side Gates:** Subject to applicable LAX Utilization Standards, in the event any narrow body domestic gates in Terminals 5, 6, 7 or 8 that are under long-term lease (i.e., leases commencing prior to 1985) become available to LAWA as common use gates, then LAWA shall make such gates available to American, American Eagle, Inc., and American's subtenants on a preferential use first offer basis. This provision will terminate no later December 31, 2015 and may terminate earlier if certain requirements are met.
- **American's use of Tom Bradley International Terminal (TBIT) Gates:** In the event that there are at least nineteen (19) total contact gates in operation in TBIT as part of the proposed Bradley West Project, then subject to all applicable LAX Utilization Standards, LAWA will offer to assign to American up to four (4) TBIT contact gates on a preferential use basis, subject to certain conditions. In recognition of LAWA's goal of maximizing passenger convenience at LAX, particularly for international passengers, American will make reasonable efforts to facilitate



other airlines' use of its TBIT preferential gates, particularly for those flights requiring use of the Federal Inspection Facilities. The TBIT preferential gate rights are co-terminus with American's Terminal 4 lease rights. Additionally, LAWA will consider American's needs and interests in designating the specific location of TBIT Preferential Gates assigned to American.

- Secure-side Connector: Should a connector for passengers between LAX's Terminal 4 and TBIT not be built, LAWA should provide American a rent credit for an American-provided secure-side bus connector operation, such credit to terminate upon termination or expiration of American's Terminal 4 lease.
- Busing Credit: LAWA to provide American with a credit against rent due in the amount of \$94,050 per month, during January 15, 2010 to May 31, 2010, and \$47,025 beginning June 1, 2010, for a specified period, to offset American costs associated with reasonable costs of busing passengers.
- California Environmental Quality Act (CEQA): The GOA does not authorize or approve the proposed Bradley West Project prior to EIR certification and LAX Plan Compliance approval. LAWA reserves all rights with respect to such certification and approval including, with respect to mitigation, alternatives including a "no project" alternative. City of Los Angeles retains sole discretion with respect to all aspects of the proposed Bradley West Project including the right not to approve or complete the project; and

WHEREAS, this action is exempt from CEQA pursuant to Article II Section 2(i) of the Los Angeles City CEQA Guidelines, as amended by the Los Angeles City Council on July 31, 2002; and

WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of the Los Angeles City Charter Section 373;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners determined that this action is exempt from the requirements of the California Environmental Quality Act, adopted the Staff Report, approved the Gates and Operations Agreement with American Airlines, Inc. upon approval as to form by the City Attorney, and upon approval by the Los Angeles City Council.

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I hereby certify that the foregoing is a true and correct copy of Resolution No. 23847 adopted by the Board of Airport Commissioners at a Special Meeting held Monday, June 22, 2009.



Grace Miguel, Assistant Secretary
BOARD OF AIRPORT COMMISSIONERS

GATE AND OPERATIONS AGREEMENT

THIS GATE AND OPERATIONS AGREEMENT (this "**Agreement**") is made and entered into this _____ day of _____, 2009 (the "**Execution Date**") between the City of Los Angeles, acting by and through its Board of Airport Commissioners ("**BOAC**") of the Los Angeles World Airports ("**LAWA**"), a department of the City of Los Angeles (collectively, "**City**"), and American Airlines, Inc., a Delaware corporation ("**American**"). City and American are each a "**Party**" to this Agreement, and collectively are referred to herein as "**Parties**". Los Angeles International Airport is referred to herein as "**LAX**".

RECITALS

The Parties hereby acknowledge and agree that their respective decisions to enter into this Agreement are premised on the following recitals which set forth certain facts upon which the Parties agree:

A. City, as landlord, and American, as tenant and successor-in-interest by merger to Trans World Airlines LLC, itself successor in interest to certain assets, including the Current TWA Lease (as defined herein), by assignment under order of the United States Bankruptcy Court in the District of Delaware of Trans World Airlines, Inc., a Delaware corporation, are parties to that certain Ground Lease Between the City of Los Angeles and Trans World Airlines, Inc. Covering Certain Premises in the Central Maintenance Area at Los Angeles International Airport dated as of July 10, 1970, designated as lease number LAA-1455, as amended by (i) that Amendment to Lease Between the City of Los Angeles and Trans World Airlines, Inc. Covering Certain Premises in the Central Maintenance Area at Los Angeles International Airport dated March 15, 1973; (ii) that Second Amendment to Lease Between the City of Los Angeles and Trans World Airlines, Inc. Covering Certain Premises in the Central Maintenance Area at Los Angeles International Airport dated April 25, 1978; and (iii) that Third Amendment to Lease Between the City of Los Angeles and Trans World Airlines, Inc. Covering Certain Premises in the Central Maintenance Area at Los Angeles International Airport dated August 21, 1986 (as so amended and assigned, the "**Current TWA Lease**").

B. City, as landlord, and American, as tenant, entered into that certain Ground Lease Between the City of Los Angeles and American Airlines, Inc. Covering Certain Premises in the Central Maintenance Area at Los Angeles International Airport dated as of March 3, 1971, designated as lease LAA-1563 (the "**Current AA Lease**," and collectively with the Current TWA Lease, the "**Current Leases**").

C. In order to provide substitute premises for American, City and American have agreed to amend the Current Leases, subject to approval of the City Council, which amendments ("**Lease Amendments**") will provide for surrender of the Deleted Premises thereunder and the addition of other premises to substitute therefor.

D. In connection with the construction of the Crossfield Taxiway at LAX and for certain other business needs, City requires the use of certain areas that are within the premises leased under the Current Leases (collectively, "**Deleted Premises**"). In lieu of condemnation of

such premises and the resulting obligations to relocate American, American and City are entering into a certain Memorandum of Agreement (“MOA”) to avoid the time and expense associated with the condemnation process. Unless the context indicates otherwise, all initially capitalized terms herein shall have their respective meanings as set forth in the MOA.

E. Pursuant to the MOA, City and American desire, inter alia, to provide American with certain rights as to certain gates and other facilities at LAX under the terms and conditions of this Agreement. City and American further desire to provide American with a credit to offset the cost of transporting passengers from a remote terminal to Terminal 4 at LAX.

F. Prior to and pending approval by the City Council of the lease amendments to approve the substitution of the New Premises for the Deleted Premises, (i) American and City entered into that Right of Entry and Construction Commencement Agreement dated April 16, 2009, permitting City to enter the Deleted Premises and commence construction thereon (“City ROE”), and (ii) American and City will enter into a right of entry agreement permitting American to enter the New Premises and begin construction (“AA ROE”).

G. City and American agree that although some of the agreements contemplated herein are contingent upon approval by third parties such as the City Council, the Parties intend this Agreement, upon approval of such parties, to be binding upon each of them to the fullest extent under the law.

A G R E E M E N T

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Term.

This Agreement shall be in effect for a term (“Term”) from the date of its execution by the City (“Effective Date”) until the time of termination or expiration of the Terminal Facilities Lease between LAWA and American for Terminal 4, entered into on November 26, 1984 (LAA-4687) as amended (the “Terminal 4 Lease”), regardless of the reason for such termination, including, without limitation, by reason of a rejection of the Terminal 4 Lease by American in bankruptcy, or early termination for any reason.

Section 2. American Eagle Use of South Side Gates.

2.1 This Section 2 shall be in effect from the Effective Date until the earliest of:

- (a) the date at which there are at least nineteen (19) total contact gates in operation in the Tom Bradley International Terminal (“TBIT”) as part of the proposed Bradley West Project, as defined below (if such project is approved and completed),
- (b) December 31, 2015, or
- (c) the expiration of the Term.

2.2 During the period described in Section 2.1 above, if

(a) any of the long-term leases for the use of gates in Terminals 5, 6, 7 or 8, inclusive (i.e., the leases for such terminals with commencement dates prior to 1985 with each of Delta Air Lines, Continental Airlines, and United Airlines) are terminated, amended, or otherwise modified to remove from leased status (1) narrow body aircraft gates with no sterile access to an FIS facility and/or (2) narrow body aircraft gates capable of providing sterile access to an FIS facility that LAWA intends to make available for domestic flights of other airlines, and

(b) such gates become available to LAWA as common use gates ("**Newly Non-Leased Gates**"),

then, LAWA shall make available to American on a preferential use basis a number of Newly Non-Leased Gates such that use by American, American Airlines Eagle, Inc., a Delaware corporation ("**American Eagle**") through American, and LAWA-approved subtenants of American through American, collectively, will continue to meet the requirements of the LAX Utilization Standards as in effect from time to time, as such standards and requirements may be modified in the sole discretion of the City ("**LAX Utilization Standards**"). Notwithstanding LAWA's right to establish LAX Utilization Standards and Standard Terms (as defined below) in its sole discretion, in applying the LAX Utilization Standards and Standard Terms when fulfilling LAWA's obligations to make gates available to American pursuant to Section 2 and Section 3 of this Agreement, LAWA shall not (1) obviate or nullify the contribution to American's utilization that arises from American Eagle's use of regional jet aircraft or (2) employ policies or protocols that would deny American Eagle regional jets access to Newly Non-Leased Gates under the terms of this Agreement.

2.3 LAWA will make such Newly Non-Leased Gates available to American on a preferential use basis on a "First Offer Basis". "**First Offer Basis**" means that LAWA will advise American of the expected date of availability of such Newly Non-Leased Gates and provide a reasonable time, but not less than 30 days, for American to accept or reject the offer as to some or all of the Newly Non-Leased Gates offered. Once an offer is rejected for any such gates ("**Rejected Gates**") then LAWA shall have no further obligations to make the Rejected Gates available to American on a preferential use basis, although LAWA shall remain obligated under this Agreement for the applicable Term of this Agreement for any other gates that thereafter become Newly Non-Leased Gates.

2.4 Notwithstanding the foregoing, the following limitations and requirements shall apply to the assignment of any Newly Non-Leased Gates to American on a preferential use basis pursuant to this Section and for any TBIT Gates (as defined below) assigned to American on a preferential use basis pursuant to Section 3 below:

(a) Any Newly Non-Leased Gates or TBIT Gates assigned to American on a preferential basis shall continue at all times to be subject to the provisions of the LAX Utilization Standards (subject to the limitations set forth herein) that would trigger conversion of some or all of such gates to common use status.

(b) In addition to the requirements of this Agreement, “**preferential use**” shall include the requirements and obligations set forth in Sections 22 and 23 of the Terminal 4 Lease, copies of which are attached hereto as **Exhibit A** and incorporated herein by this reference.

(c) In making determinations for preferential use gates to be assigned to American, as part of the measurement of American’s overall gate utilization, LAWA shall include the flights, passengers and/or seats (as applicable) of American, American Eagle, and any approved subtenants of American. In addition, for the purpose of measuring American’s gate utilization, LAWA will include all designated gate positions in Terminal 4 and any other gates leased or designated for preferential use by American, but will exclude gates assigned to American or American Eagle in the remote Commuter Terminal.

(d) In addition to being subject to the LAX Utilization Standards, any such gates assigned to American on a preferential use basis shall be on LAWA’s standard terms and conditions as in effect from time to time, in the sole discretion of LAWA (“**Standard Terms**”).

Section 3. TBIT Gates

3.1 From the date on which there are at least nineteen (19) total contact gates in operation in the TBIT as part of the proposed “**Bradley West Project**,” until the end of the Term, subject to all applicable LAX Utilization Standards, LAWA shall offer to assign to American up to four (4) TBIT contact gates on a preferential use basis (“**TBIT Preferential Gates**”). The number of TBIT Preferential Gates to be offered to American shall be the greatest number, up to four, such that the resulting use by American, American Eagle through American, and/or LAWA-approved subtenants of American through American shall continue to meet or exceed the requirements of the LAX Utilization Standards for preferential use. In making determinations for preferential use gates to be assigned to American, as part of the measurement of American’s overall gate utilization, LAWA shall include the flights, passengers and/or seats (as applicable) of American, American Eagle, and any approved LAWA-subtenants of American. In addition, for the purpose of measuring American’s gate utilization, LAWA will include all designated gate positions in Terminal 4 and any other gates leased or designated for preferential use by American, but will exclude gates assigned to American or American Eagle in the remote Commuter Terminal.

3.2 LAWA’s obligation to assign the TBIT Preferential Gates to American is subject to all requirements arising from the Terminal 4 Lease and the additional requirements that (1) during any periods where American seeks to use the TBIT Preferential Gates, American’s Terminal 4 gates and any other American exclusive or preferential use gates at LAX, other than gates in the Commuter Terminal, shall be actively in use by American, American Eagle, or any approved subtenants of American and (2) in recognition of LAWA’s goal of maximizing passenger convenience at LAX, particularly for international passengers, and to reduce LAWA’s operating cost associated with remote bus gate operations for airlines using TBIT, American shall make all reasonable efforts to facilitate and accommodate other airlines’ use of the TBIT Preferential Gates, particularly for those flights of other airlines needing access to FIS facilities, which obligation shall include, but not be limited to, the towing of inactive aircraft at TBIT under the control of American, American Eagle, or any approved subtenant of American.

3.3 In facilitating American's use of the TBIT Preferential Gates, LAWA will make all reasonable efforts to ensure that all common use contact gates in TBIT are scheduled for active use before LAWA seeks to schedule any flights on the TBIT Preferential Gates. In addition, when designating the location of the TBIT Preferential Gates, LAWA shall reasonably consider American's interest in (1) gate locations close to Terminal 4, (2) efficient use of Taxilane C-10, and (3) having reasonable stability regarding the particular gates assigned as the TBIT Preferential Gates.

Section 4. Secure Side Connector.

4.1 City has included in its project-level Environmental Impact Report ("EIR") for the Bradley West Project a proposal for a secure passenger connector between LAX's Terminal 4 and Tom Bradley International Terminal (the "**Secure Connector**"). Subject to the ongoing environmental review process pursuant to CEQA, LAWA's Executive Director shall recommend to the BOAC, and any other governing body the approval of which is required for construction of the Secure Connector, that the Secure Connector be built, and will use his or her reasonable efforts to cause the Secure Connector to be built. In the event the Secure Connector is not approved or not built as part of the Bradley West Project, City agrees to provide American a rent credit for an American-provided secured side bus connector operation, *provided that* LAWA's obligations to provide such rent credit shall terminate upon termination or expiration of the Terminal 4 Lease regardless of the reason for such termination or expiration, including, without limitation, by reason of a rejection of the Terminal 4 Lease by American in bankruptcy, or early termination for any reason.

Section 5. Limitation on Rights.

5.1 The rights granted under this Agreement are each subject to the following limitations:

(a) The rights granted under this Agreement and the benefits thereunder shall not be transferred or assigned, directly or indirectly to any third parties except (i) to a successor in interest of American Airlines, Inc., and (ii) that the preferential use rights under Section 2 above may be assigned to American Eagle.

(b) The rights under this Agreement granted to American are deemed waived upon American's material default under this Agreement or any other agreement or instrument contemplated herein, unless such default is solely caused by the acts or omissions of City.

(c) Except as expressly provided for in this Agreement or in the Leases, or in any other lease now existing between American and City, American shall have no other right of renewal, right of first refusal, right of first offer, preferential use, or other superior rights as to any space at LAX.

Section 6. Busing Credit

6.1 Subject to Section 6.4 of this Agreement, City shall provide American with a rent credit against any future rent that American may owe to the City under the Terminal 4 Lease, the TWA Lease, or the AA Lease ("**Busing Credit**") in the amount of \$94,050 per month from

January 15, 2010 until May 31, 2010, to defray the costs of busing passengers to and from LAX Terminal 4 to the Commuter Area.

6.2 Subject to Section 6.4 of this Agreement, City shall provide American with a Busing Credit in the amount of \$47,025 per month from June 1, 2010 until the earliest of:

(a) the date at which there are at least nineteen (19) total contact gates in operation at TBIT as part of the proposed Bradley West Project (if such project is approved and completed),

(b) December 31, 2015,

(c) the expiration of the Term, or

(d) the execution of a new lease between City and American for the Commuter Area.

6.3 Termination of the Busing Credit. City's obligation to provide a Busing Credit under Sections 6.1 through 6.2 shall terminate upon American's failure to tender to City the exclusive possession and control of each of the Deleted Premises on the respective Surrender Dates in the MOA.

Section 7. CEQA Compliance

This Agreement does not provide authorization or approval of the proposed Bradley West Project prior to the EIR certification and LAX Plan Compliance approval for the Bradley West Project. Mitigation measures and/or alternatives, including the "no project" alternative, required in conjunction with the on-going environmental review process pursuant to CEQA, may be adopted by City. City retains sole discretion with respect to all aspects of the proposed Bradley West Project including the right not to approve or complete the project.

Section 8. Conflicts

To the extent the provisions of this Agreement, the MOA, the Current Leases, the Terminal 4 Lease, or the Lease Amendments, are inconsistent, the provisions shall govern in the following order of priority: (i) the MOA, (ii) this Agreement, (iii) the Lease Amendments, (iv) the Terminal 4 Lease, and (v) the Current Leases.

Section 9. Miscellaneous Provisions.

9.1 No Third Party Rights or Obligations. No person or entity not a Party to or expressly identified as a beneficiary under this Agreement shall have any third-party beneficiary or other rights under this Agreement, except as otherwise expressly provided herein.

9.2 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

9.3 Venue. Any litigation concerning this Agreement may only be filed in a court of competent jurisdiction in Los Angeles County, California.

9.4 Binding Agreement. This Agreement shall be binding upon the Parties hereto and their respective heirs, personal representatives, successors and assigns, including a debtor in possession, and/or a chapter 11 trustee and/or a chapter 7 trustee in a case or cases commenced under 11 U.S.C. § 101 *et seq.*

9.5 Construction. The terms, provisions and conditions of this Agreement represent the results of negotiations between the City and American, each of whom has been represented by legal counsel of its own choosing. Accordingly, the terms, provisions and conditions of this Agreement shall be interpreted and construed in accordance with their usual and customary meanings, and American and the City expressly, knowingly and voluntarily waive the application, in connection with the interpretation and construction of this Agreement, of any rule of law or procedure to the effect that ambiguous or conflicting terms, conditions or provisions shall be interpreted or construed against the Party whose legal counsel prepared the executed version or any prior drafts of this Agreement.

9.6 Further Assurances. In addition to the documents, instruments and acts described in this Agreement and which are to be executed and/or delivered and/or taken pursuant to this Agreement, each Party agrees to promptly execute and deliver from time to time upon request by the other Party, such other documents, and instruments, and take such other action, as may reasonably be required to more fully and completely evidence and carry out the transactions contemplated by this Agreement.

9.7 Headings; Defined Terms. Descriptive headings are used in this Agreement for convenience only and shall not control, limit, amplify or otherwise modify or affect the terms and provisions of this Agreement or the meaning or construction of the terms and provisions of this Agreement.

9.8 Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one agreement. Facsimile signatures may be utilized, but original signature pages must be provided to BOAC.

9.9 Sole Agreement. THIS AGREEMENT, TOGETHER WITH THE EXHIBITS HERETO, REPRESENTS THE FINAL AGREEMENT AMONG THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

9.10 Termination. Notwithstanding anything to the contrary contained herein, this Agreement and any other agreement or instrument contemplated herein shall terminate immediately upon denial of the Lease Amendments by City Council.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

AMERICAN AIRLINES, INC.

THE CITY OF LOS ANGELES; LOS ANGELES WORLD AIRPORTS; LOS ANGELES BOARD OF AIRPORT COMMISSIONERS

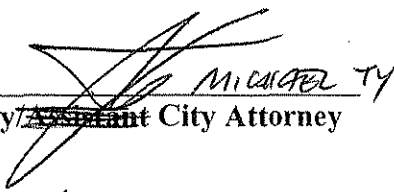
By: 
Printed Name: LAURA A. EINSPANIER
Its: Vice President
Corporate Real Estate

By: _____
Printed Name: _____
Its: _____

DATE: JUNE 22, 2009

DATE: _____, 2009

APPROVED AS TO FORM:
ROCKARD J. DELGADILLO, City Attorney

By: 
Deputy/Assistant City Attorney

DATE: JUNE 23, 2009

List of Exhibits:

Exhibit A Sections 22 and 23 of the Terminal 4 Lease

Sec. 22. Apron, Gate Positions and Loading Ramps.

Included in the over-all plans for the passenger terminal facilities at the Airport, City is providing as a means of access for aircraft between the Satellite Buildings and the taxiway and runway system of the Airport, large areas of apron pavement, airplane gate positions and aircraft loading ramps in the area immediately adjacent to and surrounding the Satellite Buildings. No special possessory, exclusive or vested rights whatsoever, save and except a use in common with other airlines, and Lessee's preferential but nonexclusive use of gate positions and aircraft loading ramps adjacent to Lessee's demised premises, pursuant to Section 23, shall vest in Lessee by reason of the proximity of such demised premises to said gate positions and aircraft loading ramps.

Sec. 23. Assignment of Gate Positions and Loading Ramps.

All assignments of gate positions and aircraft loading ramps shall be made in strict accordance with rules, regulations and directives adopted and promulgated by the Board and/or General Manager to facilitate the entry of new air carriers and to maximize the utilization of facilities at the Airport. Such rules, regulations and directives shall provide for the

preferential, but not exclusive, assignment by the General Manager of gate positions and loading ramps to the Lessee of the demised premises next adjacent to each gate position and loading ramp, taking into account said Lessee's needs and requirements for the use thereof. It is further understood that the gate positions and loading ramps are to be used for the loading and unloading of aircraft in passenger service in keeping with industry practice at the Airport. To facilitate the entry of new air carriers and to maximize the utilization of facilities at the Airport, at the direction of the General Manager, Lessee agrees not to use the gate positions and loading ramps for long-term aircraft parking or aircraft maintenance purposes.