

AMERICAN AIRLINES INC
Form 424B5
September 19, 2016
Table of Contents

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-194685-01

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED SEPTEMBER 19, 2016

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED MARCH 19, 2014

\$813,797,000

2016-3 PASS THROUGH TRUSTS

PASS THROUGH CERTIFICATES, SERIES 2016-3

American Airlines, Inc. is creating two separate pass through trusts that will issue American Airlines, Inc. Class AA and Class A Pass Through Certificates, Series 2016-3. American Airlines, Inc. may offer Class B Pass Through Certificates, Series 2016-3 on or after the date of this prospectus supplement, pursuant to a separate prospectus supplement or a separate offering memorandum (each referred to as offering materials), in addition to any other additional classes of American Airlines, Inc. Pass Through Certificates, Series 2016-3 that may subsequently be offered, as provided herein. Neither any Class B Pass Through Certificates nor any other additional classes of certificates are being offered pursuant to this prospectus supplement. A separate trust will be established for each class of certificates that are issued.

The Class AA Certificates and Class A Certificates will represent interests in the assets of the related pass through trust. The proceeds from the sale of the Class AA Certificates and Class A Certificates will initially be held in escrow and will thereafter be used by the pass through trusts to acquire the related series of equipment notes to be issued by American on a full recourse basis. Payments on the equipment notes held in each pass through trust will be passed through to the holders of the Certificates of such trust. Distributions on the Class AA Certificates and

Class A Certificates will be subject to certain subordination provisions described herein. The Class AA Certificates and Class A Certificates do not represent interests in American or any of its affiliates and do not represent obligations of any of American's affiliates.

Subject to the distribution provisions described herein, the Class AA Certificates will rank generally senior to the Class A Certificates and any Class B Certificates that may be issued; the Class A Certificates will rank generally junior to the Class AA Certificates and will rank generally senior to any Class B Certificates that may be issued; and any Class B Certificates that may be issued will rank generally junior to the Class AA Certificates and the Class A Certificates.

The equipment notes expected to be held by the pass through trust for the Class AA Certificates, the pass through trust for the Class A Certificates and, if applicable, the pass through trust for any Class B Certificates, will be issued to finance the following 25 aircraft: (a) five Airbus A321-231S aircraft newly manufactured and scheduled for delivery to American from November 2016 to January 2017, (b) eight Boeing 737-823 aircraft either delivered new to American from March 2016 to September 2016 or newly manufactured and scheduled for delivery to American from September 2016 to December 2016, (c) four Boeing 787-9 aircraft newly manufactured and scheduled for delivery to American from October 2016 to January 2017 and (d) eight Embraer ERJ 175 LR aircraft newly manufactured and scheduled for delivery to American from September 2016 to December 2016. The equipment notes issued for each aircraft will be secured by a security interest in all such aircraft. Interest on the issued and outstanding equipment notes expected to be held by each pass through trust will be payable semiannually on April 15 and October 15 of each year, commencing on April 15, 2017, and principal on such equipment notes is scheduled for payment on April 15 and October 15 of each year, commencing on October 15, 2017.

KfW IPEX-Bank GmbH will provide a separate liquidity facility for each of the Class AA Certificates and Class A Certificates, in each case in an amount sufficient to make three semiannual interest distributions on the outstanding balance of the Certificates of such Class. Any Class B Certificates, if issued, may have the benefit of a liquidity facility as described in the offering materials for such class of certificates.

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

Investing in the Certificates involves risks. See Risk Factors beginning on page S-27.

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

	<i>Aggregate Face</i>		<i>Final Expected</i>	<i>Price to</i>
<i>Pass Through Certificates</i>	<i>Amount</i>	<i>Interest Rate</i>	<i>Distribution Date</i>	<i>Public(1)</i>
<i>Class AA</i>	<i>\$557,654,000</i>	<i>%</i>	<i>October 15, 2028</i>	<i>%</i>
<i>Class A</i>	<i>\$256,143,000</i>	<i>%</i>	<i>October 15, 2028</i>	<i>%</i>

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

The underwriters will purchase all of the Class AA Certificates and the Class A Certificates if any are purchased. The aggregate proceeds from the sale of the Class AA Certificates and the Class A Certificates will be \$813,797,000. American will pay the underwriters a commission of \$. Delivery of the Class AA Certificates and the Class A

Certificates in book-entry form will be made on or about _____, 2016 against payment in immediately available funds.

Joint Structuring Agents and Lead Bookrunners

MORGAN STANLEY

GOLDMAN, SACHS & CO.

Joint Active Bookrunners

CITIGROUP

CREDIT SUISSE

DEUTSCHE BANK SECURITIES

Joint Bookrunners

BofA MERRILL LYNCH

BARCLAYS

J.P. MORGAN

BNP PARIBAS

CREDIT AGRICOLE SECURITIES

ICBC

US BANCORP

Prospectus Supplement dated September _____, 2016.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

	Page
<u>PRESENTATION OF INFORMATION</u>	S-iv
<u>SPECIAL NOTE REGARDING FORWARD -LOOKING STATEMENTS</u>	S-iv
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-1
<u>The Company</u>	S-1
<u>Summary of Terms of Certificates</u>	S-2
<u>Equipment Notes and the Aircraft</u>	S-3
<u>Loan to Aircraft Value Ratios</u>	S-5
<u>Cash Flow Structure</u>	S-6
<u>The Offering</u>	S-8
<u>Summary Historical Consolidated Financial Data</u>	S-23
<u>Ratio of Earnings to Fixed Charges</u>	S-26
<u>RISK FACTORS</u>	S-27
<u>Risks Relating to the Company and Industry-Related Risks</u>	S-27
<u>Risks Relating to the Certificates and the Offering</u>	S-47
<u>USE OF PROCEEDS</u>	S-54
<u>DESCRIPTION OF THE CERTIFICATES</u>	S-55
<u>General</u>	S-55
<u>Payments and Distributions</u>	S-56
<u>Subordination</u>	S-60
<u>Pool Factors</u>	S-60
<u>Reports to Certificateholders</u>	S-62
<u>Indenture Events of Default and Certain Rights Upon an Indenture Event of Default</u>	S-63
<u>Certificate Buyout Right of Certificateholders</u>	S-64
<u>PTC Event of Default</u>	S-66
<u>Merger, Consolidation and Transfer of Assets</u>	S-66
<u>Modification of the Pass Through Trust Agreements and Certain Other Agreements</u>	S-67
<u>Obligation to Purchase Equipment Notes</u>	S-72
<u>Termination of the Trusts</u>	S-73
<u>The Trustees</u>	S-74
<u>Book-Entry Registration; Delivery and Form</u>	S-74
	Page
<u>DESCRIPTION OF THE DEPOSIT AGREEMENTS</u>	S-78
<u>General</u>	S-78
<u>Withdrawal of Deposits to Purchase Equipment Notes</u>	S-78
<u>Other Withdrawals and Return of Deposits</u>	S-78
<u>Replacement of Depositary</u>	S-79
<u>Limitation on Damages</u>	S-80
<u>Depositary</u>	S-81
<u>DESCRIPTION OF THE ESCROW AGREEMENTS</u>	S-82

<u>General</u>	S-82
<u>Certain Modifications of the Escrow Agreements and Note Purchase Agreement</u>	S-83
<u>The Escrow Agent</u>	S-84
<u>The Paying Agent</u>	S-84
<u>DESCRIPTION OF THE LIQUIDITY FACILITIES</u>	S-85
<u>General</u>	S-85
<u>Drawings</u>	S-85
<u>Replacement of Liquidity Facilities</u>	S-86
<u>Reimbursement of Drawings</u>	S-89
<u>Liquidity Events of Default</u>	S-91
<u>Liquidity Provider</u>	S-91
<u>DESCRIPTION OF THE INTERCREDITOR AGREEMENT</u>	S-92
<u>Intercreditor Rights</u>	S-92
<u>Post Default Appraisals</u>	S-95
<u>Priority of Distributions</u>	S-96
<u>Voting of Equipment Notes</u>	S-100
<u>Certain Communications with Certificateholders</u>	S-101
<u>Reports</u>	S-101
<u>The Subordination Agent</u>	S-102
<u>DESCRIPTION OF THE AIRCRAFT AND THE APPRAISALS</u>	S-103
<u>The Aircraft</u>	S-103
<u>The Appraisals</u>	S-104
<u>Deliveries of Aircraft</u>	S-105
<u>DESCRIPTION OF THE EQUIPMENT NOTES</u>	S-107
<u>General</u>	S-107
<u>Subordination</u>	S-107

Table of Contents

	Page
<u>Principal and Interest Payments</u>	S-109
<u>Redemption</u>	S-110
<u>Security</u>	S-111
<u>Loan to Value Ratios of Equipment Notes</u>	S-112
<u>Limitation of Liability</u>	S-113
<u>Indenture Events of Default, Notice and Waiver</u>	S-113
<u>Remedies</u>	S-114
<u>Modification of Indentures</u>	S-115
<u>Indemnification</u>	S-117
<u>Certain Provisions of the Indentures</u>	S-117
<u>POSSIBLE ISSUANCE OF ADDITIONAL CERTIFICATES AND REFINANCING AND REISSUANCE OF CERTIFICATES</u>	S-124
<u>Issuance of Additional Certificates</u>	S-124
<u>Refinancing or Reissuance of Certificates</u>	S-124
<u>Additional Liquidity Facilities</u>	S-125
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES</u>	S-126
<u>General</u>	S-126
<u>Tax Status of the Trusts</u>	S-126
<u>Taxation of Certificateholders Generally</u>	S-127
<u>Effect of Reallocation of Payments under the Intercreditor Agreement</u>	S-127
	Page
<u>Sale or Other Disposition of the Certificates</u>	S-128
<u>Foreign Certificateholders</u>	S-128
<u>Information Reporting and Backup Withholding</u>	S-129
<u>Foreign Account Tax Compliance Act</u>	S-129
<u>CERTAIN DELAWARE TAXES</u>	S-131
<u>CERTAIN ERISA CONSIDERATIONS</u>	S-132
<u>General</u>	S-132
<u>Plan Assets Issues</u>	S-132
<u>Prohibited Transaction Exemptions</u>	S-133
<u>Special Considerations Applicable to Insurance Company General Accounts</u>	S-134
<u>UNDERWRITING</u>	S-135
<u>Selling Restrictions</u>	S-137
<u>VALIDITY OF THE CERTIFICATES</u>	S-141
<u>EXPERTS</u>	S-141
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-142
<u>APPENDIX I INDEX OF DEFINED TERMS</u>	I-1
<u>APPENDIX II APPRAISAL LETTERS</u>	II-1
<u>APPENDIX III SUMMARY OF APPRAISED VALUES</u>	III-1
<u>APPENDIX IV LOAN TO VALUE RATIO TABLES</u>	IV-1
<u>APPENDIX V EQUIPMENT NOTE PRINCIPAL AMOUNTS AND AMORTIZATION SCHEDULES</u>	V-1

Prospectus

	Page
<u>ABOUT THIS PROSPECTUS</u>	i
<u>WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE</u>	1
<u>THE COMPANY</u>	3
<u>RISK FACTORS</u>	3
	Page
<u>USE OF PROCEEDS; DESCRIPTION OF PASS THROUGH CERTIFICATES</u>	4
<u>CREDIT ENHANCEMENTS</u>	5
<u>PLAN OF DISTRIBUTION</u>	6
<u>LEGAL MATTERS</u>	7
<u>EXPERTS</u>	7

Table of Contents

We have not, and Morgan Stanley & Co. LLC, Goldman, Sachs & Co., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Capital Inc., J.P. Morgan Securities LLC, BNP Paribas Securities Corp., Credit Agricole Securities (USA) Inc., ICBC Standard Bank Plc and U.S. Bancorp Investments, Inc. (the *Underwriters*) have not, authorized anyone to provide you with information other than the information contained in this prospectus supplement, the accompanying prospectus, any related free writing prospectus issued by us (which we refer to as a *company free writing prospectus*) and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus or to which we have referred you. This prospectus supplement, the accompanying prospectus and any related company free writing prospectus do not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this prospectus supplement, the accompanying prospectus and any related company free writing prospectus in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer or solicitation of an offer in such jurisdiction. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus and any related company free writing prospectus or any document incorporated by reference is accurate as of any date other than the date on the front cover of the applicable document. Neither the delivery of this prospectus supplement, the accompanying prospectus and any related company free writing prospectus nor any distribution of securities pursuant to this prospectus supplement and the accompanying prospectus shall, under any circumstances, create any implication that there has been no change in our business, financial condition, results of operations or prospects, or in the affairs of the Trusts, the Depositary or the Liquidity Provider, since the date of this prospectus supplement.

S-iii

Table of Contents**PRESENTATION OF INFORMATION**

These offering materials consist of two documents: (a) this prospectus supplement, which describes the terms of the American Airlines, Inc. Class AA and Class A Pass Through Certificates, Series 2016-3 (collectively, the *Certificates*, and each, a *Certificate*) that we are currently offering, and (b) the accompanying prospectus, which provides general information about us and our pass through certificates, some of which may not apply to the Certificates that we are currently offering. The information in this prospectus supplement replaces any inconsistent information included in the accompanying prospectus. To the extent the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference in this prospectus supplement. See *About this Prospectus* in the accompanying prospectus.

In this prospectus supplement, unless otherwise specified, references to *American*, the *Company*, *we*, *us* and *our* to American Airlines, Inc.; references to *AAG* refer to our parent, American Airlines Group Inc.; and references to *AMR* refer to AAG during the period of time prior to its acquisition of US Airways Group, Inc. (*US Airways Group*).

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

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

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain of the statements contained in this prospectus supplement, the accompanying prospectus, any related company free writing prospectus and the documents incorporated by reference herein and therein represent our expectations or beliefs concerning future events and 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*, *continue*, *seek*, *target*, *guidance*, *outlook*, *if current trends continue*, *optimistic*, *forecast* and other similar statements include, but are not limited to, statements about the benefits of the merger of AMR Merger Sub, Inc. (*Merger Sub*) with and into US Airways Group, with US Airways Group surviving as a wholly-owned subsidiary of AMR (the *Merger*) pursuant to that certain Agreement and Plan of Merger, dated as of February 13, 2013, by and among AMR, Merger Sub and US Airways Group (as amended, the *Merger Agreement*), including future financial and operating results, our plans, objectives, expectations and intentions, and other statements that are not historical facts, such as, without limitation, statements that discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. 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 *Risk Factors* and the following: significant operating losses in the future; downturns in economic conditions that adversely affect our business; the impact of continued periods of high volatility in fuel costs, increased fuel prices and significant disruptions in the supply of aircraft fuel; competitive practices in the industry, including

S-iv

Table of Contents

the impact of low-cost carriers, airline alliances and industry consolidation; the challenges and costs of integrating operations and realizing anticipated synergies and other benefits of the Merger; costs of ongoing data security compliance requirements and the impact of any significant data security breach; our substantial indebtedness and other obligations and the effect they could have on our business and liquidity; an inability to obtain sufficient financing or other capital to operate successfully and in accordance with our current business plan; increased costs of financing, a reduction in the availability of financing and fluctuations in interest rates; the effect our high level of fixed obligations may have on our ability to fund general corporate requirements, obtain additional financing and respond to competitive developments and adverse economic and industry conditions; our significant pension and other postretirement benefit funding obligations; the impact of any failure to comply with the covenants contained in financing arrangements; provisions in credit card processing and other commercial agreements that may materially reduce our liquidity; the impact of union disputes, employee strikes and other labor-related disruptions; any inability to maintain labor costs at competitive levels; interruptions or disruptions in service at one or more of our hub airports; any inability to obtain and maintain adequate facilities, infrastructure and landing and take-off rights and authorizations (*slots*) to operate our flight schedule and expand or change our route network; our reliance on third-party regional operators or third-party service providers that have the ability to affect our revenue and the public's perception about our services; any inability to effectively manage the costs, rights and functionality of third-party distribution channels on which we rely; 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 impact of the heavy taxation on the airline industry; changes to our business model that may not successfully increase revenues and may cause operational difficulties or decreased demand; the loss of key personnel or inability to attract and retain additional qualified personnel; the impact of conflicts overseas, terrorist attacks and ongoing security concerns; the global scope of our business and any associated economic and political instability or adverse effects of events, circumstances or government actions beyond our control, including the impact of foreign currency exchange rate fluctuations and limitations on the repatriation of cash held in foreign countries; the impact of environmental and noise regulation; the impact associated with climate change, including increased regulation to reduce emissions of greenhouse gases; our reliance on technology and automated systems and the impact of any failure of these technologies or systems; challenges in integrating our computer, communications and other technology systems; losses and adverse publicity stemming from any accident involving any of our aircraft or the aircraft of our regional or codeshare operators; delays in scheduled aircraft deliveries, or other loss of anticipated fleet capacity, and failure of new aircraft to perform as expected; our dependence on a limited number of suppliers for aircraft, aircraft engines and parts; the impact of changing economic and other conditions beyond our control, including global events that affect travel behavior such as an outbreak of a contagious disease, and volatility and fluctuations in our results of operations due to seasonality; the effect of a higher than normal number of pilot retirements, more stringent duty time regulations, increased flight hour requirements for commercial airline pilots and other factors that have caused a shortage of pilots; the impact of possible future increases in insurance costs or reductions in available insurance coverage; the effect on our financial position and liquidity of being party to or involved in litigation; an inability to use net operating losses (*NOLs*) carried over from prior taxable years (*NOL Carryforwards*); any impairment in the amount of our goodwill and an inability to realize the full value of our intangible or long-lived assets and any material impairment charges that would be recorded as a result; and other economic, business, competitive, and/or regulatory factors affecting our business, including those set forth in our Annual Report on Form 10-K for the year ended December 31, 2015 (especially in Part I, Item 1A Risk Factors and Part II, Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations); in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016 and June 30, 2016 (especially in Part I, Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations and Part II, Item 1A Risk Factors) and in our other filings with the Securities and Exchange Commission (the *SEC*), and other risks and uncertainties listed from time to time in our filings with the SEC.

Additional information concerning these and other factors is contained in our filings with the SEC, including but not limited to our Annual Report on Form 10-K for the year ended December 31, 2015 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016 and June 30, 2016. All forward-looking

S-v

Table of Contents

statements in this prospectus supplement, the accompanying prospectus, any related company free writing prospectus and the documents incorporated by reference herein and therein are qualified in their entirety by reference to the factors discussed below under **Risk Factors** and elsewhere in this prospectus supplement and based upon information available to us on the date of this prospectus supplement or such document. 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. Forward-looking statements speak only as of the date of this prospectus supplement or as of the dates indicated in the statements.

CERTAIN VOLCKER RULE CONSIDERATIONS

Neither of the Class AA Trust or the Class A Trust are or, immediately after the issuance of the Certificates pursuant to the Trust Supplements, will be a covered fund as defined in the final regulations issued December 10, 2013 implementing the Volcker Rule (Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act). In making the foregoing determination, such Trusts are relying upon the exemption from registration set forth in Rule 3a-7 under the Investment Company Act of 1940, as amended, although additional exemptions or exclusions may be available to such Trusts.

INFORMATION RELATED TO CLASS B CERTIFICATES

Class B Certificates are not being offered pursuant to this prospectus supplement. All statements in this prospectus supplement relating to the Class B Certificates are for informational purposes only.

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

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

The Company

American was founded in 1934 and is a principal wholly-owned subsidiary of AAG, a Delaware corporation. All of American's common stock is owned by AAG. American has hubs in Charlotte, Chicago, Dallas/Fort Worth, Los Angeles, Miami, New York, Philadelphia, Phoenix and Washington, D.C. As of June 30, 2016, American operated 947 mainline aircraft and was supported by American's regional airline affiliates and third-party regional carriers, which operated an additional 600 regional aircraft. American is a founding member of the **oneworld**[®] alliance, whose members serve more than 1,000 destinations with about 14,250 daily flights to over 150 countries.

On November 29, 2011, AMR, American, and certain of AMR's other direct and indirect domestic subsidiaries (collectively, the *Debtors*) filed voluntary petitions for relief (the *Chapter 11 Cases*) under Chapter 11 of the United States Bankruptcy Code (the *Bankruptcy Code*) in the United States Bankruptcy Court for the Southern District of New York (the *Bankruptcy Court*). On October 21, 2013, the Bankruptcy Court entered an order approving and confirming the Debtors' fourth amended joint plan of reorganization (as amended, the *Bankruptcy Plan*). On December 9, 2013, the Debtors consummated their reorganization pursuant to the Bankruptcy Plan, principally through the transactions contemplated by the Merger Agreement. Following the Merger, American and US Airways, Inc. (*US Airways*) began moving toward operating under the single brand name of *American Airlines*. In the second quarter of 2015, American and US Airways received a single operating certificate from the Federal Aviation Administration (the *FAA*) for American and US Airways, marking a major milestone in the integration of the two airlines. On October 17, 2015, AAG completed its transition to a single reservations system, retiring the US Airways name and website. In addition, on December 30, 2015, US Airways merged with and into American with American as the surviving entity and US Airways ceased to exist as a legal entity.

American's principal executive office is located at 4333 Amon Carter Boulevard, Fort Worth, Texas 76155. American's telephone number is 817-963-1234 and its Internet address is www.aa.com. Information contained on American's website is not and should not be deemed a part of this prospectus supplement.

Table of Contents**Summary of Terms of Certificates**

	Class AA Certificates	Class A Certificates
Aggregate Face Amount	\$557,654,000	\$256,143,000
Interest Rate	%	%
Initial Loan to Aircraft Value Ratio (cumulative) ⁽¹⁾⁽²⁾	38.7%	56.4%
Expected Maximum Loan to Aircraft Value Ratio (cumulative) ⁽²⁾	38.7%	56.4%
Expected Principal Distribution Window (in years from Issuance Date) ⁽³⁾	1.0-12.0	1.0-12.0
Initial Average Life (in years from Issuance Date)	8.8	8.8
Regular Distribution Dates	April 15 and October 15	April 15 and October 15
Final Expected Regular Distribution Date ⁽³⁾	October 15, 2028	October 15, 2028
Final Legal Distribution Date ⁽⁴⁾	April 15, 2030	April 15, 2030
Minimum Denomination ⁽⁵⁾	\$2,000	\$2,000
Section 1110 Protection	Yes	Yes
Liquidity Facility Coverage	3 semiannual interest payments	3 semiannual interest payments

- (1) These percentages are calculated assuming that each of the Aircraft listed under Equipment Notes and the Aircraft in this prospectus supplement summary has been subjected to an Indenture and that the Trusts have purchased the related Equipment Notes for each such Aircraft as of April 15, 2017, the first Regular Distribution Date that occurs after all Aircraft are expected to have been financed pursuant to this offering. In calculating these percentages, we have assumed that principal distributions expected to be made on such date have been made and that the aggregate Assumed Aircraft Value of all such Aircraft is \$1,441,694,332 as of such date. In calculating the aggregate Assumed Aircraft Value, we assumed that the appraised value of each Aircraft determined as described under Description of the Aircraft and the Appraisals declines in accordance with the Depreciation Assumption described under Description of the Equipment Notes Loan to Value Ratios of Equipment Notes. Other rates or methods of depreciation could result in materially different LTVs. We cannot assure you that the depreciation rate and method assumed for purposes of the above table are the ones most likely to occur or predict the actual future value of any Aircraft. See Risk Factors Risks Relating to the Certificates and the Offering Appraisals should not be relied upon as a measure of realizable value of the Aircraft.
- (2) See Loan to Aircraft Value Ratios in this prospectus supplement summary for the method and assumptions we used in calculating the loan to Aircraft value ratios and a discussion of certain ways that such loan to Aircraft value ratios could change.
- (3) Each series of Equipment Notes will mature on the final expected Regular Distribution Date for the Certificates issued by the Trust that owns such Equipment Notes.
- (4) The Final Legal Distribution Date for each of the Class AA Certificates and Class A Certificates is the date that is 18 months after the final expected Regular Distribution Date for that class of Certificates, which represents the

period corresponding to the applicable Liquidity Facility coverage of three successive semiannual interest payments.

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

S-2

Table of Contents

Equipment Notes and the Aircraft

The Trusts are expected to hold Equipment Notes issued for, and secured by, each of the following 25 aircraft: (a) five Airbus A321-231S aircraft newly manufactured and scheduled for delivery to American from November 2016 to January 2017, (b) eight Boeing 737-823 aircraft either delivered new to American from March 2016 to September 2016 or newly manufactured and scheduled for delivery to American from September 2016 to December 2016, (c) four Boeing 787-9 aircraft newly manufactured and scheduled for delivery to American from October 2016 to January 2017 and (d) eight Embraer ERJ 175 LR aircraft newly manufactured and scheduled for delivery to American from September 2016 to December 2016 (each such aircraft, an *Aircraft* , and, collectively, the *Aircraft*).

Each Boeing 737-823 aircraft that has been delivered to American as of the date of this prospectus supplement (each, an *Owned Aircraft*) is owned and is being operated by American. American expects that each Airbus A321-231S aircraft, each Boeing 737-823 aircraft and each Boeing 787-9 aircraft that is scheduled to be delivered to American after the date of this prospectus supplement (each, a *New Airbus/Boeing Delivery Aircraft*) will be owned and operated by American, and that each Embraer ERJ 175 LR aircraft that is scheduled to be delivered to American on or after the date of this prospectus supplement (each, a *New Embraer Delivery Aircraft* and, together with the New Airbus/Boeing Delivery Aircraft, the *New Delivery Aircraft*) will be leased by American to Envoy Air, Inc. (*Envoy*), an affiliated regional carrier that operates such Embraer ERJ 175 LR Aircraft on behalf of American in regional operations. American expects that two New Embraer Delivery Aircraft will be delivered to American on or shortly after the date of this prospectus supplement. See *Description of the Aircraft and the Appraisals* for a description of each Aircraft to be financed with the proceeds of this offering. Set forth below is certain information about the Equipment Notes expected to be held in the Trusts and each of the Aircraft expected to secure such Equipment Notes.

Table of Contents

On and subject to the terms and conditions of the Note Purchase Agreement and the forms of financing agreements attached to the Note Purchase Agreement, American agrees to enter into a secured debt financing with respect to each Aircraft on or prior to the Outside Termination Date. See Description of the Aircraft and the Appraisals Deliveries of Aircraft.

Aircraft Type	Actual or Expected Registration Number⁽¹⁾	Actual or Expected Manufacturer's Serial Number⁽¹⁾	Actual or Scheduled Month of Delivery⁽¹⁾	Initial Principal Amount of Series AA Equipment Notes and Series A Equipment Notes	Appraised Value⁽²⁾	Latest Equipment Note Maturity Date
Airbus A321-231S	N993AN	7188	November 2016	\$ 30,530,000	\$ 54,910,000	October 15, 2028
Airbus A321-231S	N994AN	7418	December 2016	30,580,000	55,000,000	October 15, 2028
Airbus A321-231S	N995AN	7301	December 2016	30,580,000	55,000,000	October 15, 2028
Airbus A321-231S	N996AN	7310	December 2016	30,580,000	55,000,000	October 15, 2028
Airbus A321-231S	N928AM	7515	January 2017	30,630,000	55,090,000	October 15, 2028
Boeing 737-823	N988NN	31237	March 2016	26,209,000	47,140,000	October 15, 2028
Boeing 737-823	N997NN	33250	September 2016	26,957,000	48,483,333	October 15, 2028
Boeing 737-823	N998NN	31250	September 2016	26,957,000	48,483,333	October 15, 2028
Boeing 737-823	N200NV	33341	October 2016	27,027,000	48,610,000	October 15, 2028
Boeing 737-823	N301NW	31253	November 2016	27,050,000	48,650,000	October 15, 2028
Boeing 737-823	N301PA	31255	November 2016			