

AMERICAN AIRLINES INC
Form 8-K
October 05, 2017

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): October 4, 2017

AMERICAN AIRLINES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other Jurisdiction
of Incorporation)

1-2691
(Commission
File Number)

13-1502798
(IRS Employer
Identification No.)

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

76155
(Zip Code)

Registrant's telephone number, including area code: (817) 963-1234

N/A

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

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

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

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

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

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 1.01 Entry into a Material Definitive Agreement.

On October 4, 2017, American Airlines, Inc. (the Company or American) and Wilmington Trust Company, as trustee under certain pass through trusts formed by the Company (the Trustee) and as subordination agent, entered into an Amended and Restated Note Purchase Agreement (the Note Purchase Agreement), and American, the Trustee and Wilmington Trust Company, as subordination agent, loan trustee and in its individual capacity, entered into amendments to participation agreements (the Participation Agreement Amendments) with respect to each Aircraft (as defined below). The Note Purchase Agreement and Participation Agreement Amendments, subject to certain terms and conditions, provided for the issuance on October 4, 2017 by American of Series B equipment notes (the Equipment Notes) in the aggregate principal amount of \$193,440,000 to be secured by (a) five Airbus A321-200S aircraft delivered new to American from November 2016 to February 2017, (b) eight Boeing 737-800 aircraft delivered new to American from March 2016 to December 2016, (c) four Boeing 787-9 aircraft delivered new to American from October 2016 to January 2017 and (d) eight Embraer ERJ 175 LR aircraft delivered new to American from September 2016 to December 2016 (each, an Aircraft and, collectively, the Aircraft).

Pursuant to the Note Purchase Agreement, on October 4, 2017, the Trustee entered into the Participation Agreement Amendments substantially in the form of the form of First Amendment to Participation Agreement attached as an exhibit to the Note Purchase Agreement and purchased the Equipment Notes issued under an indenture and security agreement with respect to each Aircraft, as amended by an amendment thereto, substantially in the form of the form of First Amendment to Indenture and Security Agreement attached as an exhibit to the Note Purchase Agreement (each, an Indenture and collectively, the Indentures) entered into by American and Wilmington Trust Company, as loan trustee, with respect to each Aircraft.

Equipment Notes were issued under each Indenture in one series: Series B, bearing interest at the rate of 3.75% per annum, in the aggregate principal amount equal to \$193,440,000. Two other series of equipment notes were previously issued under the Indenture: Series AA, bearing interest at the rate of 3.00% per annum, in the aggregate principal amount equal to \$557,654,000 and Series A, bearing interest at the rate of 3.25% per annum, in the aggregate principal amount equal to \$256,143,000. The Equipment Notes were purchased by the Trustee using the proceeds from the sale of American Airlines Pass Through Certificates, Series 2016-3B (the Certificates).

The interest on the Equipment Notes is payable semiannually on April 15 and October 15 of each year, commencing on April 15, 2018. The principal payments on the Equipment Notes are scheduled for payment on April 15 and October 15 of each year, commencing on April 15, 2018. Final payments with respect to the Equipment Notes are due on October 15, 2025. Maturity of the Equipment Notes may be accelerated upon the occurrence of certain events of default, including failure by American (in some cases after notice or the expiration of a grace period, or both) to make payments under the Indenture when due or to comply with certain covenants, as well as certain bankruptcy events involving American. The Equipment Notes issued with respect to each Aircraft are secured by a lien on such Aircraft and are cross-collateralized by the other Aircraft financed pursuant to the Note Purchase Agreement.

The Certificates were registered for offer and sale pursuant to the Securities Act of 1933, as amended (the Securities Act), under American s shelf registration statement on Form S-3 (File No. 333-216167-01), (the Registration Statement). The Certificates were sold pursuant to the Underwriting Agreement, dated as of September 20, 2017, between Credit Suisse Securities (USA) LLC and American. The foregoing description of the Note Purchase Agreement and the other agreements and instruments is qualified in its entirety by reference to such agreements and instruments, copies of which are filed herewith as exhibits and are incorporated by reference herein. For a more detailed description of such agreements and instruments entered into by American with respect to the Certificates, see the disclosure under the captions Description of the Certificates, Description of the Liquidity Facilities, Description of the Intercreditor Agreement, Description of the Equipment Notes and Underwriting contained in American s final Prospectus Supplement, dated as of September 20, 2017 (the Prospectus Supplement), to the Prospectus, dated as of February 22, 2017, filed with the Securities and Exchange Commission on September 22, 2017 pursuant to Rule 424(b) under the Securities Act, which disclosure is hereby incorporated herein by reference and is qualified in its

entirety by reference to the relevant exhibit filed herewith.

This Current Report is also being filed for the purpose of filing as exhibits to the Registration Statement the documents listed in Item 9.01 below, which are hereby incorporated by reference in the Registration Statement.

Item 2.03 Creation of Direct Financial Obligation.

The information provided in Item 1.01 of this Form 8-K is hereby incorporated into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit	Description
1.1	<u>Underwriting Agreement, dated as of September 20, 2017, between Credit Suisse Securities (USA) LLC and American Airlines, Inc. (incorporated by reference to Exhibit 1.1 to American Airlines, Inc.'s Current Report on Form 8-K filed on September 21, 2017 (Commission File No. 001-02691)).</u>
4.1	<u>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 Airlines, Inc.'s Current Report on Form 8-K filed on September 17, 2014 (Commission File No. 001-02691)).</u>
4.2	<u>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.</u>
4.3	<u>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.</u>
4.4	<u>Amended and Restated Note Purchase Agreement, dated as of October 4, 2017, 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.</u>
4.5	<u>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) (included in Exhibit A to Exhibit 4.4).</u>
4.6	<u>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) (included in Exhibit B to Exhibit 4.4).</u>
4.7	<u>Form of Pass Through Trust Certificate, Series 2016-3B (included in Exhibit A to Exhibit 4.2).</u>
4.8	<u>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</u>

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Through Trust 2016-3B, as Borrower, and KfW IPEX-Bank GmbH, as Liquidity Provider.

5.1 Opinion of Latham & Watkins LLP, special counsel to American Airlines, Inc.

23.1 Consent of Latham & Watkins LLP (included in Exhibit 5.1).

SIGNATURES

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

AMERICAN AIRLINES, INC.

Date: October 5, 2017

By: /s/ Derek J. Kerr
Derek J. Kerr
Executive Vice President and Chief Financial
Officer