

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:
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AMR CORPORATION, et al.,	:
	:
Debtors.	:
	:
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**Chapter 11 Case No.
11-15463 (SHL)
(Jointly Administered)**

**FIRST SUPPLEMENTAL DECLARATION OF ALFREDO R. PÉREZ IN
SUPPORT OF THE APPLICATION OF DEBTORS PURSUANT TO
11 U.S.C. § 327(a) AND FED. R. BANKR. P. 2014(a) FOR AUTHORITY TO
EMPLOY AND RETAIN WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS
FOR THE DEBTORS *NUNC PRO TUNC* TO THE COMMENCEMENT DATE**

Alfredo R. Pérez makes this declaration under 28 U.S.C. § 1746:

1. I submit this First Supplemental Declaration as a supplement to my Declaration, dated January 10, 2012 (the “**Original Declaration**”),¹ in support of the Application of Debtors Pursuant to 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014(a) for Authority to Employ and Retain Weil, Gotshal & Manges LLP (“**Weil**”) as Attorneys for the Debtors *Nunc Pro Tunc* to the Commencement Date (ECF No. 591).
2. This Supplemental Declaration provides additional disclosures responsive to the omnibus objection to the Debtors’ respective applications to retain various professionals (ECF No. 740).
3. To the best of my knowledge, information and belief, and based on the results of a general inquiry of all attorneys employed by Weil, no partner, counsel or associate of Weil (a) owns or holds any debt or equity securities of AMR Corporation or the other Debtors;

¹ All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Original Declaration.

or (b) has a relationship with an insider of the Debtors which would affect the statement made in Paragraph 9 of this Declaration.

4. In connection with the Corporate Travel Agreement with American Airlines referred to in paragraph 13 of the Original Declaration, the discount from American Airlines' published ticket prices for travel on certain routes is received at the time of the purchase of the tickets. There are no rebates in connection with the Corporate Travel Agreement. The program offered by the Debtors is not unique to Weil. It is generally available to high volume users of American Airlines. Weil holds no claim against the Debtors relating to the Corporate Travel Agreement.

5. Weil has not and will not advise or represent the Debtors in connection with any matter relating to the American Airlines Center ("**Center**"), Center Operating Company, L.P. ("**COC**"), or Mr. Thomas O. Hicks, each of whom is referred to in paragraph 15 of the Original Declaration. To the extent there is any need for legal services in connection with the Center and COC, it is my understanding that the Debtors will use the professional services of Haynes & Boone, LLP ("**Haynes & Boone**"), the Debtors' conflicts counsel. As stated in paragraph 15 of the Original Declaration, Weil will not advise or represent COC or Mr. Hicks in connection with the Debtors or as to any matter adverse to the Debtors. In addition, if circumstances hereafter arise where neither Weil nor Haynes & Boone may represent the Debtors with respect to a particular matter because of a conflict, other conflicts counsel will be engaged for such purposes.

6. Paragraph 19 of the Original Application is incorrect insofar as it states that during the preceding 12 months the fees paid to Weil for services performed for GECAS exceeded 1% of the annual gross revenue of Weil. During the aforementioned period the fees

received by Weil from GECAS amounted to approximately \$72,000, a de minimis amount in the perspective of Weil's annual gross revenues. Weil does represent General Electric Company, which is a substantial client. To the best of my knowledge, information and belief, General Electric Company is not a creditor of the Debtors. In connection with GECAS, pursuant to agreements dating back to January, 2003, other than with respect to American Airlines, Weil has represented GECAS exclusively in connection with airline bankruptcies. Pursuant to such agreements, Weil agreed that it would not represent GECAS in connection with any restructuring of the business of the Debtors or any bankruptcy case involving the Debtors, and American Airlines agreed that Weil could represent GECAS in connection with other airlines. In accordance with such agreements, in any instance where the interests of American Airlines and GECAS directly conflicted with each other, such as the renegotiation of the terms of a GECAS aircraft leases or litigation of such leases, American Airlines would retain another law firm to act as special "conflict counsel" and Weil would continue to act for American Airlines as to other non-related general matters. Consistent with the foregoing, as stated in paragraph 21 of the Original Declaration, Debevoise & Plimpton LLP, the Debtors' special aircraft counsel, is responsible for any legal needs of the Debtors in relation to GECAS and Haynes & Boone may advise and represent the Debtors as to any and all other matters relating to GECAS.

7. During the approximately 11 month period preceding the commencement of the Debtors' chapter 11 cases, Weil received payments for professional services performed and expenses incurred as set forth below. The payments received were in full satisfaction of the charges specified in the billing statements rendered as to pending matters. In addition, Weil received a payment on November 28, 2011 for professional services performed and to be performed and for reimbursement of expenses incurred and to be incurred in the amount of

\$2,549,199.94 representing the fees and expenses incurred by the Debtors relating to the preparation of the chapter 11 petitions, related pleadings and the commencement of the chapter 11 cases on November 29, 2011. Also, as reflected below, Weil received a retainer amount of \$2,200,000 as described in paragraph 27 of the Original Application.

<u>Billing Period</u>	<u>Charges</u>	<u>Statement Date</u>	<u>Payment Date</u>	<u>Amount Paid</u>
thru 1/31/11	5,921.56	2/18/2011	4/11/2011	5,921.56
thru 1/31/11	49,423.28	2/18/2011	4/11/2011	49,423.28
thru 1/31/11	4,836.93	2/18/2011	4/11/2011	4,836.93
thru 1/31/11	146,609.71	2/23/2011	4/18/2011	146,609.71
thru 2/28/11	8,486.24	3/31/2011	5/20/2011	8,486.24
thru 2/28/11	26,908.47	3/31/2011	5/20/2011	26,908.47
thru 2/28/11	1,661.33	3/31/2011	5/20/2011	1,661.33
thru 2/28/11	2,991.96	3/31/2011	5/20/2011	2,991.96
thru 3/31/11	2,019.60	4/26/2011	5/20/2011	2,019.60
thru 3/31/11	32,971.76	4/26/2011	6/17/2011	32,971.76
thru 3/31/11	41,118.93	4/30/2011	6/17/2011	41,118.93
thru 3/31/11	33,676.05	4/30/2011	8/30/2011	33,676.05
thru 3/31/11	11,710.50	4/30/2011	6/22/2011	11,710.50
thru 4/30/11	1,235.00	5/23/2011	7/15/2011	1,235.00
thru 4/30/11	7,512.34	5/25/2011	7/18/2011	7,459.73
thru 4/30/11	1,476.45	5/25/2011	7/18/2011	1,476.45
thru 4/30/11	7,683.50	5/25/2011	8/30/2011	7,307.00
thru 4/30/11	123,904.63	5/25/2011	11/3/2011	115,379.50
thru 5/31/11	5,198.20	6/27/2011	8/16/2011	5,198.20
thru 5/31/11	430.00	6/27/2011	8/29/2011	415.00
thru 5/31/11	303,656.59	7/20/2011	11/3/2011	303,656.59
thru 6/30/11	3,052.50	7/25/2011	9/20/2011	3,052.50
thru 6/30/11	2,107.00	7/29/2011	9/21/2011	2,107.00
thru 6/30/11	51,019.00	7/29/2011	9/21/2011	51,019.00
thru 7/31/11	1,879.50	8/31/2011	10/19/2011	1,879.50
thru 7/31/11	15,069.40	8/31/2011	10/19/2011	15,069.40
thru 7/31/11	871,092.67	8/31/2011	11/8/2011	870,764.02
thru 7/31/11	19,959.00	9/28/2011	11/18/2011	19,959.00
Thru 8/31/11	8,814.50	9/28/2011	11/18/2011	8,814.50
Thru 8/31/11	3,485.50	9/28/2011	11/18/2011	3,485.50
Thru 8/31/11	1,342.00	9/28/2011	11/18/2011	1,342.00
Thru 8/31/11	1,348,258.62	9/29/2011	11/23/2011	1,348,258.62
Thru 8/31/11	50,280.50	9/29/2011	11/18/2011	50,280.50
Thru 9/30/11	12,923.00	10/27/2011	11/23/2011	12,923.00
Thru 9/30/11	3,257.50	10/27/2011	11/23/2011	3,257.50
Thru 9/30/11	8,027.00	10/27/2011	11/23/2011	8,027.00
Thru 9/30/11	513,830.42	10/27/2011	11/23/2011	513,830.42
Thru 9/30/11	12,103.54	10/27/2011	11/23/2011	12,103.54

Thru 10/31/11	6,340.00	11/28/2011	11/28/2011	6,340.00
Thru 10/31/11	8,079.00	11/28/2011	11/28/2011	8,079.00
Thru 10/31/11	16,970.00	11/28/2011	11/28/2011	16,970.00
Thru 10/31/11	481,983.90	11/28/2011	11/28/2011	481,983.90
Thru 10/31/11	106,523.32	11/28/2011	11/28/2011	106,523.32
Thru 10/31/11	266,039.50*	11/28/2011	11/28/2011	266,039.50
Thru 11/28/11	3,391.59	11/28/2011	11/28/2011	3,391.59
Thru 11/28/11	921.00	11/28/2011	11/28/2011	921.00
Thru 11/28/11	5,722.00	11/28/2011	11/28/2011	5,722.00
Thru 11/28/11	470,192.39	11/28/2011	11/28/2011	470,192.39
Thru 11/28/11	17,276.78	11/28/2011	11/28/2011	17,276.78
Thru 11/28/11	2,183,160.44*	11/28/2011	11/28/2011	2,183,160.44
Retainer	<u>2,200,000.00</u>	11/28/2011	11/28/2011	<u>2,200,000.00</u>
TOTALS	<u>9,976,195.61</u>			<u>9,966,897.72</u>
* Fees and expenses relating to preparation and commencement of Debtors' chapter 11 cases on November 29, 2011				

8. In connection with statements rendered, the usual procedure for the approval of such statements involved the review and verification of the charges by an AMR designated person. In some cases, particularly when a new AMR person was assigned to the review process, final approval took longer, but was part of the ordinary course of business and financial affairs of the Debtors in dealing with approval of billing statements. Generally, payments received by Weil were subject to administrative processing. Accordingly, the payment dates set forth above represent the dates the payments were applied to the particular matter as contrasted to when the payments may have been physically received days or a week or so earlier. The payments received and applied by Weil were made in the ordinary course of business and financial affairs of the Debtors and Weil and intended by the Debtors and Weil to be contemporaneous exchanges for the value of the services performed and the continuation of the performance of professional services by Weil or as an advance against such services. All payments were received at a time that the outstanding shares of common stock of AMR were actively trading on the NYSE for valuable consideration and, thus, represented equity value of

AMR. *VFB LLC v. Campbell Soup Company*, 482 F.3d 624 (3d Cir. 2007); *Statutory Committee of Unsecured Creditors v. Motorola, Inc. (In re Iridium Operating LLC)*, 373 B.R. 283 (Bankr. S.D.N.Y. 2007).

9. As stated in the Original Declaration, I believe that Weil does not hold or represent an interest adverse to the Debtors' and their estates and is "disinterested" as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code.

I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Executed this 27th day of February, 2012

/s/ Alfredo R. Pérez
Alfredo R. Pérez
A Member of the Firm