



The Options Clearing Corporation

#15228

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DATE: MARCH 29, 2000

**SUBJECT: ADJUSTED AMR CORPORATION – SETTLEMENT (CASH IN LIEU NOT YET DETERMINED)/REVISED SETTLEMENT ALLOCATION
ADJUSTED SYMBOLS: AMA, YAR(01), UAR(02)**

Settlement of exercise and assignment activity of AMA, YAR, UAR options (adjusted AMR Corporation (“AMA”) options) has been delayed pending the determination of the cash in lieu amount for .2652 Sabre Holdings Corporation (“TSG”) Common Shares. (See OCC Information Memo #15101). AMR Corporation has indicated that the price to be used for the cash in lieu amount has still not been determined and that there is no estimate when it will be determined.

Due to the uncertainty as to when the cash in lieu amount will be determined, exercise and assignment activity of AMR, YAR, UAR options will no longer be delayed. OPTIONS EXERCISED MARCH 16, 2000 THROUGH MARCH 29, 2000 WHICH WERE SUBJECT TO DELAYED SETTLEMENT, WILL SETTLE MARCH 31, 2000. Options exercised MARCH 30, 2000 and thereafter will be subject to normal three business day settlement.

Until the cash in lieu for the .2652 TSG Shares is determined, OCC will maintain an audit trail of all AMA, YAR, UAR exercise and assignment activity. Upon determination of the TSG cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate TSG cash in lieu amount. OCC will notify the exerciser/assignee Clearing Members when the TSG cash in lieu amount is made available. ONLY THE CASH IN LIEU PORTION OF THE AMA, YAR, UAR DELIVERABLE WILL BE SUBJECT TO DELAYED SETTLEMENT.

IMPORTANT: CLEARING MEMBERS SHOULD REMIND CUSTOMERS THAT SETTLEMENT OF AMA, YAR, UAR EXERCISE/ASSIGNMENT ACTIVITY WILL INCLUDE A FUTURE OBLIGATION TO PAY THE CASH IN LIEU AMOUNT in the case of call assignments or put exercises. Call exercisers and put assignees will collect the cash in lieu amount.

Terms of AMA, YAR, UAR options are as follows:

DELIVERABLE

PER CONTRACT: 1) 100 AMR Corporation ("AMR") Common Shares
2) 72 Sabre Holdings Corporation ("TSG") Common Shares
3)* Cash in lieu for .2652 TSG (to be determined). Only this portion of the deliverable is subject to delayed settlement.

*The cash portion of the deliverable remains permanently fixed as part of the option deliverable, and does not vary with price changes of securities also included in the deliverable.

CUSIP: AMR: 001765106
TSG: 785905100

SETTLEMENT:

The AMR and TSG component of the AMA, YAR, UAR deliverable will settle through National Security Clearing Corporation ("NSCC").

SETTLEMENT

ALLOCATION: AMR: 55%
TSG: 45%

CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

Questions regarding this memo can be addressed to Member Services at (800) 544-6091. Within Canada call (800) 424-7320.

CATEGORY: CONTRACT ADJUSTMENT
SUB-CATEGORY: