



Plan of Reorganization Timeline

What's left before American exits bankruptcy?

1) American will file a [Plan of Reorganization](#) ("POR") and Disclosure Statement that provides for, among other things, treatment of creditors and a merger transaction (*Disclosure Statement includes an explanation of the Plan and the treatment of the various creditor classes*)

- 2) Disclosure Statement approved by court depending upon the requirements outlined by the US Bankruptcy Code
- 3) Pursuant to a POR that provides for a merger of the two airlines, unsecured claims will receive a recovery in the form of equity in the new American
- 4) Merger requires approval from the Department of Justice (DOJ) and would entail [Hart-Scott-Rodino](#) ("HSR") review
- 5) Bankruptcy Court approval is required at various stages, and the stakeholders (for example: UCC, creditors, labor, etc.) have an opportunity to object

Week 1:	File POR/Disclosure Statement
Week 4:	Hearing to approve Disclosure Statement
Weeks 5-7:	Distribution of information and solicitation of votes (20 days)
Week 7:	Voting deadline for POR, tabulation of votes
Week 9:	Hearing to confirm POR
Week 12:	POR becomes effective; American emerges

- 6) The POR must receive necessary votes from stakeholders to become "effective"
- 7) More than 1/2 in number and at least 2/3 in dollar amount of impaired classes of creditors must vote in favor of the POR, among other requirements
- 8) Once declared effective, a confirmed Plan will discharge the company's outstanding debts and allow the company to emerge from Bankruptcy
- 9) Typically, the process takes 3-4 months beginning with the filing of a POR, depending on whether there are stakeholders opposing the POR.*

***A merger transaction may entail additional time beyond a typical **bankruptcy** process given DOJ and Hart-Scott-Rodino requirements**