

I have been talking to a lot of you individually, and I am glad you have taken the time to get your questions answered. I wanted to take the opportunity to clarify something I said at the beginning of the voting process. I said that if the other Unions voted NO, that there may be some benefit to joining ranks. I have been gathering information since then, and I now know a YES vote is the best choice for our membership. Before you shut down, please listen to what I have learned. I would like to answer the most common concerns that seem to prompt a NO vote by members I have been talking to:

1. First, let me say that this LBFO was not negotiated by our team, but it was the mitigation of the incredibly offensive 1113 Term sheet. Some comments are: "how did you agree to this?" "Why did you let them put this in?" We didn't. Our team mitigated the difference between the 2 offers by \$80-\$100 Million dollars. If this is ratified, that money will go in OUR pockets, to benefit OUR work lives, not in the Company's bank account for what could be a very long time.
2. **This LBFO is 6 years in duration.** There are a few reasons that this will not be the case. First, AA management can't make a profit in BK. Industry analysts have reviewed the company's business plan and don't believe it is viable. They say we need to merge to be profitable and if we don't, we will be out of business, sold off for parts, or merge long before the 6 years is up. If we merge with anyone, we will have to apply for a single carrier petition and renegotiate to incorporate our fellow merged F/A's under 1 contract. When USAir deal goes through, which I firmly believe will happen and I know the USAir folks are firmly committed to, we already have a bridge agreement with them that restores many of our work rules and benefits. This agreement is binding to both parties. By looking at the terms of the T/A that was sent out to the USAir members, it is clear that Doug Parker is committed to this merger, because he knew that he had to make a deal with his members first. It looks like he has done that.
3. **The pilots will go back in and negotiate something better.** We do not work for a management team that makes smart decisions or we wouldn't be in BK. AA will be mad, and that means making us suffer. Horton's management team takes things very personally, and has a reputation of cutting off the nose to spite the face. If the pilots do negotiate some improvements which is doubtful given who they are dealing with, we have a "me too" clause which will bring us up to par with any improvement they may achieve.
4. **I would rather fight for the short term and we will prevail in the long run.** That is very noble, and if the laws in our country were different right now, there might be some value to sending a message. But there is no one listening. The Judge rules on law, and the law favors management. In the last 33 BK proceedings, the court has found in favor of mgmt. In fact, he won't make a decision on what to implement, he will just tell AA that they can implement what they think they need to, and AA has already said they will implement the 1113. The UCC just wants the best Return on Investment they can get. The general public doesn't even remember we are in BK. In the long run, we will have to negotiate a contract, but once the Collective Bargaining Agreement is abrogated by the court, we would be negotiating with a company whose latitude to unilaterally make even deeper cuts than those in the 1113 Term sheet is legally untested. This is the most vulnerable position to be in, which is why no other union has let this happen.
5. **Why is the Union taking a \$5 million dollar payout if this ratifies?** This is standard in all BK contracts, and it simply pays back the Union funds-your Union dues-that have been used during this process to pay to defend us in the BK process. It goes right back in to the negotiations savings account it was withdrawn from. The company should absolutely pay the debts racked up by the BK process.
6. **Why is the Union advocating a YES vote?** Our goal is to merge with USAir. This is the most expedient way to get there. The pilots voted NO and the path we are now all on is a different one than the one we had envisioned to get to that goal. But please don't confuse our LBFO with their T/A. They had different issues, scope is a huge consideration for them, but even the smaller, non-monetary issues were not equal in the 2 agreements. They have chosen a path, and I respect their ability to choose, and I hope they prevail. But I do not feel that we need to join them. Some feel the NO vote sent a message to the UCC that we do not have faith in AA management. I feel we already sent that message when we all negotiated deals with USAir and have publicly joined with them every day since then, lobbying in Washington for a level playing field so that a merger in BK could take place. The UCC as well as the analysts knows that once you lose your workers' support, you will lose your business. Our lack of faith in Horton has been demonstrated by our Vote of No Confidence, our testimony in the court about how we distrust the company, not to mention every hotline has AA +USAir on every Union correspondence. I want to see our strategy prevail. I don't want to see our members suffer under unnecessary pay cuts, inhuman work rules. I don't want to see more members in foreclosure, and bankruptcy, divorce court and rehab. I have already seen too much of that since 2003. It's hard to imagine the actual value of what we are giving up by accepting the term sheet and declining the LBFO. There will be no pay increases, no lump sum payment, no 401k match. Also, try to calculate no pay for holding on the ramp for ATC holds in the summer thunderstorms, or waiting for de-icing in winter. Envision a 2 hour min. day and a 4:30 avg day. We will be paying more for healthcare, and higher deductibles. How many fly 100+ hours a month now to make ends meet? How much more will have to be flown to make up for loss of incentive pay on top of the other cuts? Can we survive, and if we do, will we get a better deal in the long run? That's a big gamble.
7. **You are trying to scare me into voting YES.** No, I am not. I am trying to get everyone to evaluate 2 things: Exactly how much will a NO vote affect our paychecks and quality of life, and does a NO vote send a message to anyone, in light of the fact that the pilots already voted NO. We have hired experts to guide us through this BK process, and upon their advice, we are following a strategy that will reap the best rewards for our work group and our company. A YES vote is our best path.