

April 4, 2014

Douglas Parker Chief Executive Officer American Airlines 4333 Amon Carter Boulevard Fort Worth, TX 76155

Dear Mr. Parker:

In July 2012, the unions representing more than 30,000 US Airways employees met and formed the Union Labor Coalition of US Airways (ULC). We did that to coordinate on important labor issues related to the then-potential merger of US Airways and American Airlines.

We identified several issues critical to the future of the airline and its employees, including job security, seniority, compensation, scope, benefits and working conditions. When the ULC was formed, six of our group were in contract negotiations or mediation – some for as many as seven years. Many US Airways employees had suffered from airline consolidation that too often had been advanced at the expense of airline workers.

While many of our members were understandably concerned about a potential merger, we told you then we would support it, but only if our concerns were addressed. Now months later, many of us are still waiting for critical issues to be addressed and resolved.

Airlines are most successful when management and labor work together to serve the passengers. We note that you made a similar point recently when speaking before a JPMorgan investors meeting where you said that American became "an airline that couldn't really achieve its potential because the management-labor relations had gotten so bad." We agree.

Although comments like these resonate well with investors and the public, employees of this airline are looking for real action, not just words. Unfortunately, that has not occurred.

For example:

- TWU Local 544 was involved in Section 6 negotiations with the company long before the merger. However, after the merger, the company put the TWU negotiations on the back burner, further delaying an already long-overdue resolution.
- For the Dispatchers, Labor Relations still has not formulated a team to harmonize the contracts of both airlines. While other Departments moved forward soon after the DOJ filing, Labor Relations was unresponsive to the Dispatchers' request even for a simple face-to-face meeting. Meanwhile, the Dispatchers continue to earn 25% less pay, while working a total of six weeks more than their American counterparts.

- The IAM represented employees (Mechanic & Related, Fleet Service, Stores and Maintenance Instructors) were in negotiations pre-merger, then ignored by Labor Relations while it negotiated with stand-alone American employees. American Airlines continues to insist that IAM represented former US Airways employees accept substandard, second class status to their former American Airlines counterparts. The IAM has sought a proffer and release from the National Mediation Board to gain fair contracts up to and including a strike, if necessary.
- The CWA-IBT Customer Service Employee Association feels the American Airlines management team needs to be apprised on our contract work rules. The vendors working for American are encroaching on our work at some locations and forcing the Association to file grievances.
- Labor Relations has failed to implement the required work rules and contractual provisions to bring equality to the pilots of US Airways. The excuse given is they do not have the resources and manpower to complete the tasks that should have already been completed on Day-1 of the merger.

We are proud to have supported a merger which created the largest airline in the world. However, now that the merger has taken place, we expect management to move forward immediately to keep its commitments to all of its employees and make this the <u>best airline in the</u> <u>world</u>. That is what we should expect from a management team that promises a new Corporate Culture, expecting a \$3 Billion profit with 10 billion in cash. We urge you to find the resources necessary to make good on your promises, ensuring this merger goes as smoothly as possible.

Roger Holmin, MEC President Association of Flight Attendants

Velvet Hawthorne, Co-Director -CWA/IBT Passenger Service Association CWA Staff Representative – East Passenger Service

Kimberly Barboro, Co-Director-CWA/IBT Passenger Service Association IBT Business Agent-West Passenger Service

Frank O'Donnell, General Chairman International Association of Machinists and Aerospace Workers – Fleet Service

Frank Schifano, General Chairman International Association of Machinist and Aerospace Workers – Mechanical & Related

Bill Gray, President Transport Workers Union Local 544; Instructors/Simulator Engineers

Dan Persuit, President Transport Workers Union Local 545; Dispatchers

Gary Hummel, President US Airline Pilots Association