



*Association of Professional Flight Attendants*

*Office of the President*

February 29, 2008

Mr. Mark Burdette, Vice President  
Employee Relations  
American Airlines, Inc.  
P.O. Box 619616, Mail Drop 5235  
DFW Airport, TX 75261-9616

Dear Mark:

This letter is to confirm APFA's intent to begin the Section 6 bargaining process in order to negotiate new terms and conditions for our 2001 Collective Bargaining Agreement, as amended in 2003; within the guidelines and procedures of the Railway Labor Act.

During our phone call on Wednesday morning, February 27, 2008, we agreed that this week's notice is to serve as fulfilling the 60-day requirement of Section 6, Title I, of the RLA, as amended to include the airline industry. During these upcoming negotiations, the APFA must place major emphasis on the needs for our members to fully recoup what the APFA membership gave its employer in 2003 when the three labor unions successfully prevented management from filing for bankruptcy protection. APFA also intends to ensure that the Flight Attendant's compensation recaptures all the value that inflation destroyed over these many years.

As you are aware, during March 2003, AA Senior Vice President Human Resources forwarded a letter to all AA employees stating that the restructuring of wages, benefits, and work rules would be "a time for shared sacrifice(s), and management will continue to do its part." And yet, beginning as early as 2006, even before AA was restored to profitability, senior management began to enrich themselves with major bonuses, while still asking the front line to continue the sacrifices of 2003.

Now that AA has returned to profitability, management's enrichments have continued to grow well beyond the comprehension for most front line workers. Just as our bargaining process is about to formally open with active table negotiations, it is that time of year, yet again, for management bonuses. I challenge senior management to withhold your April bonuses until the three labor unions have reached a successful conclusion to the seven contracts that have the same amendable date of April 30, 2008.

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To share a chilling fact with you, the senior most employee relations representative of our company, APFA has recently been given comparison data from our latest membership opinion survey findings by the Survey Research Center of the University of North Texas. UNT surveyed our members in 2005, 2007, and now 2008. They have reported to the APFA Negotiating Committee and Union Leadership that there continues to be a steady erosion in the ratings of trust with the front line employees – our members - with AA Senior Leadership. With thousands of Flight Attendants participating in these Flight Attendant opinion surveys, those employees who have the most contact with the AA customer in as you have described ‘a challenging and unpredictable industry’ one would hope that management would want to turn this fact around.

In the airline industry, we all know that the most profitable airline – Southwest Airlines – also the most unionized airline, holds a record of over 35 years of profitability. It has been stated that the key to Southwest’s success – the secret ingredient – is the philosophy to first build trust with the front line employee and make certain they are happy, for they in turn will make the customers happy, who will ultimately make the shareholders happy. For a brief period in 2005, there seemed to be a chance that labor and management on AA’s property just might join this philosophy. In one person’s opinion, I have observed many missed opportunities during my last union office as efforts were made to seek substantive changes to the AA labor/management model.

The next generation of APFA national leadership has stepped forward to lead in this round of bargaining. They are indeed worthy of the task and will be formidable Flight Attendant advocates. I believe it is management’s responsibility to identify opportunities to make AA stronger and better able to benefit all of the stakeholders. How I wish senior management was ready in this round of collective bargaining to enter a new era of truly motivating the front line with innovative policies that could rebuild a truly broken business model.

When I read your letter to me dated February 28, 2008, confirming the Company’s intent to begin negotiations in accordance with Section 6 and listing ‘management interests’ for this round of bargaining I was not shocked, I was, however, certainly extremely disappointed. While the front line of AA continues to live on greatly reduced wages, work rules, and benefits, you seem to reference even further continuing sacrifices. I will focus in this letter on but one of your listed items: addressing rising health and welfare and retirement benefit costs by exploring market-based benefit plan designs.

Presently, APFA’s Health Department seems to be under assault with administrative changes, notice or lack thereof of systemic errors in plans, lack of access to noticed changes to individual employees and retirees, vendor administrative problems, and on and on. Of late, we have filed grievances, had a global health care dispute settlement, and yet the changes and disputes continue. AA seems intent on reducing long ago negotiated employee benefits – when there is no current health care safety net for either the active or retiree employees.

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In closing, by reading your letter carefully, there is no doubt the parties are set for a solid challenge in the months ahead. I will state again firmly that in order to have a ratifiable negotiated agreement, APFA must obtain solid improvements in wages, work rules, and benefits for our membership. As we begin the process and start scheduling meeting dates for a formal exchange of openers, I can only hope that management's team clearly understands that there are presently huge inequities on AA's property. Clearly, management promised that with returned profits there would be shared gains for all and that promise must be kept . . . and these gains must be substantive in nature.

The Union, of course, maintains the right to propose further additions, deletions, and/or modifications at any time prior to the execution of a CBA succeeding the current agreement.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tommie L. Hutto-Blake". The signature is written in black ink and is positioned below the word "Sincerely,".

Tommie L. Hutto-Blake

cc: Gerard Arpey  
Dan Garton  
Lauri Curtis  
Taylor Vaughn