

Air Transport Division



TRANSPORT WORKERS UNION OF AMERICA

Affiliated with American Federation of Labor-Congress of Industrial Organizations

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January 9, 2006

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Dear Mr. Arpey:

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Last Friday the TWU, APA, and APFA were informed by Vice President Jeff Brundage that the Company might pay bonuses to approximately 1000 managers based on the price AMR stock is trading at on or around April 18, 2006. I want to make clear to you that the TWU opposes the payment of any such bonuses while the Company is still losing money and so long as its hourly employees are still working under restructured agreements.

Obviously, the recent uptick in AMR stock is positive and indicates Wall Street's confidence. However, I strongly believe that this increase in share price is largely due to the immense effort made by the hourly workforce to cooperate and continue working together in enhancing productivity and limiting waste. This effort was undertaken to secure jobs, retirement, and health care, not to make these bonuses available to certain managers. Notwithstanding the progress made on these objectives, every presentation made by the Company to its employees or their representatives over the past few months clearly establishes that its future is still jeopardized by the price of fuel and the threat of low wage competitors, often operating under the protection of bankruptcy. Under these circumstances, squandering resources on a poorly designed plan that provides large bonuses for managers is not only grossly inequitable, it makes no business sense.

Based on the concerns I have expressed above, I would formally request a meeting at your earliest possible time to discuss this matter.

Sincerely,

James C. Little
Director Air Transport Division
Intl. Executive Vice President

JCL:cjd opeiu-153 afl-cio

C: Mike O'Brien ATD Staff
Gary Yingst Jim Weel
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