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**LABOR UNIONS AT AMERICAN AIRLINES FILE SIMULTANEOUS  
GRIEVANCES OVER CASH BONUSES FOR EXECUTIVES**

Fort Worth, Texas (January 24, 2006)—The three unions at American Airlines (NYSE: AMR)—the Allied Pilots Association, the Association of Professional Flight Attendants and the Transport Workers Union—each filed presidential grievances today over the bonuses that approximately 1,000 management employees are slated to receive in April under the airline’s management Performance Unit Plan.

As part of the 2003 restructuring negotiations that enabled American Airlines to avoid filing for Chapter 11 bankruptcy, labor and management agreed to an Annual Incentive Program, or AIP, in which all U.S.-based employees participate. The three unions’ collective bargaining agreements contain identical language governing the AIP, which was structured to align the interests of management and other employees. Today’s grievance filings cite the scheduled cash bonuses as a violation of the terms of the AIP.

The leaders of the three unions issued the following joint statement regarding their grievances:

“The elected leaders of our three unions and the employees we represent remain deeply concerned over the irrationality of tying cash bonuses solely to the performance of our stock. Moreover, upon reviewing contractual language governing the AIP, we believe these cash bonuses to be in violation of our collective bargaining agreements.

“In response to the concerns our three unions have voiced over the bonuses, AMR CEO Gerard Arpey has expressed his interest in further discussion of the issue. We welcome Mr. Arpey’s suggestion and look forward to that discussion while pursuing an expedited resolution to our grievances. The labor unions at American Airlines remain

committed to the working together process and believe the best solution is one that is mutually achieved by the affected parties.

“It’s important to remember that we have made significant strides in our working relationship with management since our 2003 restructuring negotiations, and failure to resolve this disagreement could jeopardize our progress. While filing grievances may seem inconsistent with an improved working relationship, we view this action as a necessary and prudent step. If we are unable to reach an agreement through continued dialogue with senior management, the grievance arbitration process ensures an eventual resolution.

“A quick scan of the airline industry today illustrates all too clearly what happens when labor and management maintain a traditional, adversarial approach with each other. For nearly three years, labor and management at American Airlines have focused on developing a collaborative approach to solving problems. While by no means easy, this process has yielded positive results, such as the continued preservation of our defined benefit pension plans and the unprecedented, top-to-bottom assessment of our airline’s operations conducted as part of the Performance Leadership Initiative.

“We are hopeful that we can resolve the bonus issue to our mutual satisfaction and build on the progress we have made toward restoring American Airlines to a position of industry leadership.”

*Founded in 1963, the Allied Pilots Association—the largest independent pilot union in the U.S.—is headquartered in Fort Worth, Texas. APA represents the 13,000 pilots of American Airlines, including 2,890 pilots on furlough. The furloughs began shortly after the September 11, 2001 attacks. Also, several hundred American Airlines pilots are on full-time military leave of absence serving in the armed forces. The union’s Web site address is [www.alliedpilots.org](http://www.alliedpilots.org)*

*Founded in 1977, the Association of Professional Flight Attendants is the largest independent flight attendant union in the nation. It represents more than 22,620 flight attendants of American Airlines, including 4,084 furloughed flight attendants. The APFA’s Web site is [www.apfa.org](http://www.apfa.org).*

*Founded in 1934, the Transport Workers Union represents nearly 125,000 workers in the nation's transportation industries, including 55,000 workers in the airline and government service industry in virtually all Class and Crafts. The Air Transport Division represents 42 Locals with 59 labor contracts. The Airline Division Web site is [www.twuatd.org](http://www.twuatd.org).*

*American Airlines is the nation's largest passenger carrier.*

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