

The Association.



THE TWU-IAM ASSOCIATION

August 5, 2016

Sisters and Brothers,

The TWU-IAM Association today announced we have reached an interim agreement with American Airlines to provide all members industry-leading wage rates, a lump sum payment and retirement improvements. Your committee will continue joint contract negotiations with American to resolve all outstanding issues, including bargaining additional wage and retirement improvements.

Association members will receive the industry-best wages we deserve effective November 2016 and not have to wait as we continue to bargain the other parts of our joint contracts. A lump sum payment will be made to members to bridge the gap until the November 2016 effective date. The process of bargaining joint contracts after a mega airline merger like American and US Airways is complex and, as you very well know, time consuming.

The interim wage adjustment agreement provides average wage hikes of approximately 22 percent. Mechanic and Related workers will elevate three percent above similarly classified workers at Delta Air Lines and Fleet Service, Stores/Material Logistic Specialists and Maintenance Training Specialists' wages will increase one percent ahead of their counterparts at United Airlines. . The agreement also calls for enhancements to defined benefit and defined contribution pension plans. And, while not required under this agreement, the Company's presentation to the Association included the possibility of insourcing some maintenance work that had previously been outsourced. These are important gains for our Association.

We'd like to thank Association Chair and Vice Chair Sito Pantoja and Harry Lombardo for listening to the entire Association membership, and taking our voice to American's executive leadership to make this happen. We would also like to thank the membership for its support and solidarity, and for making your voices

heard loud and clear and American Airlines for being a willing partner. We look forward to continuing these joint contract negotiations to achieve improvements in all areas of our contracts, including pressing for additional gains in wages and retirement security.

Both the Fleet Service and the Mechanic and Related/Stores Negotiating Committees unanimously voted in favor of the interim improvements.

The full text of the interim wage adjustment will be posted as soon as possible.

Fraternally,

Fleet Service Committee:

<i>Mark Baskett</i>	<i>Mike Fairbanks</i>	<i>Pete Hogan</i>
<i>Tim Hughes</i>	<i>Mike Mayes</i>	<i>Steve Miller</i>
<i>Brian Oyer</i>	<i>Pat Rezler</i>	<i>Art Risley</i>
<i>Andre Sutton</i>	<i>Rodney Walker</i>	<i>Bill Wilson</i>

Mechanic and Related Committee:

<i>Jason Best</i>	<i>Mike Bush</i>	<i>Ken Coley</i>	<i>John Coveny</i>
<i>Dale Danker</i>	<i>Mark Huffman</i>	<i>Bennie Martino</i>	<i>Gary Peterson</i>
<i>Larry Pike</i>	<i>Sean Ryan</i>	<i>Jay Sleeman</i>	<i>Mark Strength</i>