

Air Transport Division



TRANSPORT WORKERS UNION OF AMERICA

Affiliated with American Federation of Labor-Congress of Industrial Organizations

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MIKE O'BRIEN
International President

March 16, 2005

JOHN KERRIGAN
Int'l Scty-Treasurer

Dear Sisters and Brothers:

JAMES C. LITTLE
Int'l Executive V.P.
Director ATD

One of the more troubling aspects of the current industry crisis is the significant under funding of single-employer pension plans. This has led to a great deal of uncertainty among our members, young and old, active and retired.

HUBERT SNEAD
Int'l Administrative V.P.

MICHAEL BAKALO
Int'l Administrative V.P.

Over the last few months, a number of our members have told us that pension reform is one of the most important issues they are concerned about, especially after the sacrifices that were made in the 2003 restructuring to preserve our current defined benefit retirement plans. Therefore, over the last few weeks, we have been in discussions involving APFA, APA, and American Airlines to develop a "Joint Position Statement on Pension Reform Legislation." The joint statement is attached.

VICE PRESIDENTS

GEORGE ROBERTS

GARY YINGST
Asst. Director ATD
Vice President

Leaders of TWU and APA, as well as American management, were invited to attend the APFA convention in Chicago for a pension briefing by Mr. Bradley Belt, Executive Director of the Pension Benefit Guaranty Corporation (PBGC). In addition, copies of the "Joint Position Statement on Pension Reform" are being disseminated to key media people covering the airline industry.

INT'L REPRESENTATIVES

GARRY DRUMMOND

JOSEPH C. GORDON
AE System Coordinator

JOHN M. CONLEY
AA System Coordinator

ROBERT GLESS

GARY SHULTS

We believe that this joint position paper further underlines our joint commitment to the preservation of our pension plans and to the economic future of our members. While other carriers in the airline industry are trying to end their pension responsibilities through bankruptcy, the unions and management at American Airlines are working together to secure the pension reform that will help employers maintain sound pension funds.

Over the next weeks and months, we will be working closely with our legislative office and the AFL-CIO Transportation Trades Departments -- and especially you our members -- to fight for the specific legislation that will protect our well-earned benefits.

In solidarity,

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

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