



*Association of Professional
Flight Attendants*
Representing the Flight Attendants of American Airlines

June 29, 2010

Dear (AA Investor CEO):

As President of the Association of Professional Flight Attendants (APFA), representing more than 17,000 American Airlines Flight Attendants, I feel it is crucial to inform you, as a major shareholder in American Airlines, of some potential developments at American that could have a serious impact on your investments.

As you may know, Flight Attendants have been in negotiations with American Airlines for more than two years in an attempt to reach a reasonable settlement that would restore a portion of the \$2.3 billion in reduced wages, benefits, and work rule changes that we have sacrificed. Our bailout saved American from having to file for bankruptcy.

Unfortunately, AA management has repeatedly ignored our sacrifices. Throughout negotiations, they have insisted that a settlement must be “Zero Sum”. Their proposal is one that provides no net benefit to the Flight Attendants, and has zero chance of being ratified. This was evidenced by our overwhelming “yes” vote to authorize a strike – nearly 97 percent with a record 90 percent participating.

Recently American Airlines (AA) CEO Gerard Arpey told Wall Street he is “more encouraged about the future of the Company now than he has been for a long time.” Arpey boasted that AMR is now projecting that its second-quarter unit revenue will increase between 16.5 and 17.5 percent from last year, and ancillary fees will generate significant additional revenue. However, AA management continues to claim they have no “new” money.

Despite executives’ pledge during the 2003 crisis that “everyone will share in the rewards that our ongoing efforts will produce,” they have repeatedly granted themselves millions of dollars in bonuses, while insisting on concessionary terms at the bargaining table. This would radically reduce Flight Attendants’ standard of living even further.

Indeed, American’s most recent proposals would leave Flight Attendants earning, in 2015, less than they were earning in 2003, when we made the sacrifices that ensured the company’s survival.

A disruption of service is, of course, the last thing that Flight Attendants want. Flight Attendants are dedicated, hardworking employees, who want American to succeed. We have done everything to avoid a strike and achieve a satisfactory agreement, despite American’s stubborn insistence on concessionary “offers” that are grossly unreasonable.

We now believe that the lack of progress in bargaining has put us at impasse and we have therefore requested that the National Mediation Board (NMB) release us from mediation, and invoke a 30 day cooling-off period. We are still awaiting a response from the Board.

Unless American management comes forward with more reasonable proposals before the 30 day cooling off period ends, the overwhelming vote of the Flight Attendants will compel us to take decisive job actions. The consequences of such could only be profoundly negative on those, like you, for whom American's uninterrupted operations are vital.

Therefore, we urge you to take whatever steps are necessary to communicate to AA management the importance of putting forth a contract offer that will address the needs of their Flight Attendants and families. With your help, we can bring American's negotiating team to its senses and prevent the costly service disruptions that would inevitably result from its continued intransigence.

Sincerely,

A handwritten signature in cursive script that reads "Laura R. Glading".

Laura R. Glading
President
Association of Professional Flight Attendants