



USAirlinepilots.org

200 E. Woodlawn Road, Suite 250
Charlotte, NC 28217

US AIRLINE PILOTS ASSOCIATION

April 2, 2013

US Airways
Mr. Hemenway, VP Labor Relations
4000 E. Sky Harbor Blvd.
Phoenix, AZ 85034

Dear Mr. Hemenway;

Paragraph 3 of the Memorandum of Understanding provides that, upon approval of the POR, US Airways pilots shall be eligible for, and begin to accrue credit toward, benefits from a defined contribution retirement plan, into which the Company shall make contributions calculated by multiplying such pilots' eligible compensation by the percentage rate, now 14 percent, prescribed for the American Super Saver Plan by the AA Pilot Agreement of December 19, 2012. We anticipate that both pilot groups will be subject to the same employee retirement benefit plan after the merger.

Both APA and this Association want to develop a pilot-specific retirement plan that will combine Section 401k options with the defined contribution plan contemplated by the MOU. The pilot-specific retirement plans for US Airways pilots worked well in the past. Accordingly, we believe the parties can build off that model to develop a plan that would cover all pilots after the merger is complete.

Ideally, the new retirement plan should be in place as of the Effective Date of the POR, so that all pilots can be covered under the same plan as of that date. We ask to begin joint discussions with management as soon as possible so that goal can be met. If a combined plan cannot be implemented by the POR, contributions for the US Airways pilots required by the MOU should be deposited into their current retirement plans until those plans are replaced by the new plan. This would require only one transfer for funds between plans, which is preferable to making an initial transfer into the AA Super Saver plan on the Effective Date and then having to make a second transfer once a new plan is established. Please advise us when your team can be ready to discuss this issue.

Sincerely,

Captain Gary Hummel
President, USAPA