



Jeff Smisek
President and
Chief Executive Officer

May 21, 2012

Dear Pilots:

I want to thank you for your professionalism, as you provide our customers with safe and reliable air transportation every day.

As I've said ever since we merged, my goal is to bring work groups together in a manner that is fair to them and fair to the company. Fairness, in a highly competitive business like commercial aviation, means paying competitively, and receiving in return competitive services so that our customers will want to fly us and our investors will want to invest in us. We need to charge competitive prices for our products, and pay competitive prices for the goods, services and people that we need to run our airline.

I've spoken to a large number of you in the cockpit as I have traveled around the system, and I share your desire for a quick resolution to contract negotiations for a joint collective bargaining agreement. Since March 2012, when NMB mediators and the parties established the "small group" negotiating process, we've made substantial progress in reducing the number of open issues. We are fast approaching the point that the parties will begin to negotiate the key remaining issues.

I'm sure by now you know that Delta and its pilots' union recently announced a tentative agreement which, among other things, provides significant pay increases, along with efficiencies for the carrier and scope changes permitting expanded use of larger regional jets. The new Delta TA raises the market pay for commercial airline pilots, and effectively sets a new competitive standard for pilot pay. We will be responsive to the impact of the new Delta TA in our negotiations and will need to adjust our current contract proposal to be competitive with the Delta TA. Our proposal will include significant pay rate increases that are competitive with the new Delta TA, as well as scope and work rules that are competitive with the new Delta TA and permit us to remain competitive in the airline business.

Now is the time for all parties to put aside political differences and posturing, and focus on the remaining open contract items. What I ask of you is that we work together to complete our negotiations promptly.

We've been negotiating long enough. Let's get this done.

Respectfully,

A handwritten signature in black ink, appearing to read "J. Smisek", with a stylized flourish at the end.