



16 February 2011

The parties met again this week to continue discussion on a new contract. We have reached agreement on all non-economic articles. The economic issues continue to be the most difficult articles to reach agreement on.

The company has shown the committee GOM financial results for the quarter ending December 2010, which demonstrated both decreasing and weak financial performance. In January 2011, the company's GOM business unit actually lost money. With this financial background, finding a workable solution is becoming more complex. Both parties continue to explore creative solutions to the dilemma.

We have scheduled talks throughout the month of March and right up to the amendable date of April 4th and will continue to work toward bridging the gap.

The parties continue to bring a professional and respectful approach to the discussions. While we expect to continue the give and take nature of collective bargaining, until the company's financial performance improves the prospect of completing negotiations by the amendable date becomes more of a challenge.

A blue ink signature of Robert Phillips, consisting of a stylized 'R' and 'P'.

Robert Phillips
Director of Flight Operations

A blue ink signature of Kenneth Bruner, written in a cursive style.

Kenneth Bruner
President, OPEIU Local 107