



"We Move America"

# Transport Workers Union of America, AFL-CIO

**Harry Lombardo**  
International President

**John Samuelson**  
International Executive Vice President

**Alex Garcia**  
International Secretary-Treasurer

**John Bland**  
Administrative Vice President

**Gary E. Maslanka**  
Administrative Vice President

June 27, 2014

TO: TWU AA Locals 501 - 591

RE: Update Regarding Disputed Claims

American plans to make a distribution of shares to unsecured creditors from its Disputed Claims Reserve (DCR) on July 1. The Disputed Claims reserve holds shares set aside for resolution of certain claims in the bankruptcy proceedings. When American prevails or settles claims, shares initially held aside for those claims can be distributed. However, the number of shares distributed next week will be much smaller than even the small distributions in January and February; it is estimated that number of shares to be distributed will be about 35% of the gross number of shares distributed in January on Day 30. The number of shares that could actually be distributed to employees would then be reduced by withholding taxes and capital gains tax on the increased value of the shares while they were held in the DCR. We were advised that based on the distribution formulas, many TWU-represented employees would only be entitled to a fraction of a share which cannot be distributed so those shares would therefore go to the TWU Reserve and those employee would receive no shares.

Because of the small size of the distribution and the problem of the fractional shares, TWU will place the shares received from the DCR next week in the TWU Reserve. This strategy is based on the possibility that, as more disputed claims are resolved, there will be additional distributions from the DCR. If we were to make distributions to our members each time there is a distribution from the DCR, it is almost inevitable that there will be TWU represented employees who repeatedly receive nothing. But if the distributions are consolidated by TWU, it will at least be possible that by consolidating the DCR distributions together, employees who otherwise would receive nothing, will receive shares. By this strategy we hope to minimize the number of employees who will in the end receive nothing from the DCR distributions. The delay will thus hurt no one while increasing the number of members who receive something from the DCR distributions. If there are no additional distributions from the DCR, or if combined distributions from the DCR are not sufficient to make a distribution of whole shares to all eligible TWU-represented employees, TWU will make a determination whether whatever shares were received from the DCR should be distributed at the conclusion of distributions from the DCR, or whether all those shares should continue to be held in the TWU Reserve for distribution from that Reserve when the litigation is over.

Fraternally,

Sean Doyle  
International Vice President

SD:kla opeiu 153

C: IAC  
ATD Staff

**Executive Council**

**Vice Presidents**

- Patricia Bowden
- Charles Cerf
- Michael Conigliaro
- Dale Danker
- Sean Doyle
- Garry Drummond
- Jerome Lafragola
- Tom Lenane
- Carl Martin
- Thom McDaniel
- Curtis Tate
- Tony Utano
- James Whalen

**Council Members**

- Delisa Brown
- Joe Carbon
- John Chiarello
- Brian Clarke
- LaTonya Crisp-Sauray
- John Feltz
- Horace Marves
- Gary Shults
- Kevin Smith

**Executive Board**

- Matthew Ahern
- Bedennia Barnes
- Richard Boehm
- Jon Bradford
- Ralph Darnell
- Richard Davis
- Derick Echevarria
- Fred Fink
- Todd Gage
- Angel Giboyeaux
- Amy Griffin
- Jim Guido
- Kevin Harrington
- Maurice Jenkins
- Don May
- Mike Mayes
- John Menshon
- Benyoel Morgan
- Thomas Murray
- J.P. Patafio
- John Plowman
- Dan Rivera
- Richard Rocco
- Audrey Stone
- Dane Stricoff
- Robert Taylor
- Luis Ventura
- David Virella
- Clarence Washington
- Eric Williams

