

FROM YOUR EXECUTIVE BOARD

May 24, 2006

Bargaining Update

In negotiations today, we presented a comprehensive counterproposal to the Company's May 15 proposal. In addition, we offered proposed tentative agreements on 4 more Articles: Article 4 (Work Stoppages); Article 14 (Holiday Compensation); Article 20 (Severance Allowances), and; Article 26 (Terms of Agreement).

Our counterproposal is aimed squarely at reaching an equitable and competitive labor agreement with the Company. In an attempt to keep our membership accurately informed, but with no intent to move negotiations into a public forum, we feel it best at this time to inform you of two components of the counterproposal. Understand that our counterproposal addresses many other issues as well.

First, we have withdrawn our request for a limited right-to-strike in the event the Company fails to honor final and binding arbitration awards, and have replaced it with a proposal for strengthened grievance and arbitration provisions, including broader remedial powers for arbitrators.

Second, we have proposed participation in the IAM (International Association of Machinists) National Pension Plan which offers benefits far in excess of those available from other existing multi-employer plans. Participation in the IAM National Pension Plan is contingent upon affiliation with the IAM. Affiliation is an issue reserved to our membership for determination, and we do not presume to make that decision for you. Accordingly, we have proposed that in the event the AEIF does not affiliate with the IAM, the Company will make an equal per participant contribution to the existing 401(k) plan.

The Company has taken our counterproposal under consideration, and we await their response.