



AIRCRAFT MECHANICS FRATERNAL ASSOCIATION

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January 20, 2006

via electronic transmission

Mr. John G. Spanjers
President and COO
Mesaba Aviation, Inc.
Suite 200
1000 Blue Gentian Road
Eagan, MN 55121-1679

Subject: Debtor Required Disclosure Deficiencies
Reference: 1) Letter, 2 Dec 05, Wildermuth to Surrisi
2) Letter, 7 Dec. 05 [revised], Wildermuth to Spanjers
3) Letter, 8 Dec 05, Poerstel to Wildermuth
4) Letter, 12 Dec 05, Wildermuth to Poerstel
5) Email, 12 Dec 05, McCormick to B. Meents
6) Letter, 18 Dec 05, Wildermuth to Poerstel
7) Email, 19 Dec 05, Granath to Surrisi
8) Fax, 20 Dec 05, Poerstel to Wildermuth
9) Letter, 22 Dec 05, Wildermuth to Poerstel
10) Fax, 22 Dec 05, Spanjers to Wildermuth
11) Letter, 26 Dec 05, Poerstel to Wildermuth
12) Letter, 27 Dec 05, Wildermuth to Spanjers
13) Letter, 10 Jan 06, Wildermuth to Spanjers
14) Letter, 12 Jan 06, Wildermuth to Poerstel
15) Letter, 17 Jan 06, Spanjers to Wildermuth

Dear Mr. Spanjers:

We received your letter dated January 17th (Ref. 15) in response to our letter dated January 10th (Ref. 13) concerning AMFA requested information noted in "Status of Disclosures". Although we appreciate the explanations provided, several "Reply(s)" contained misstatements or misunderstandings that require correction for our mutual progress as well as the record. Clarifications in response, each according to previously referenced item numbers are as follows:

1. Contrary to the Company's claim, AMFA did meet with Steve Black, Mesaba's Mercer representative along with other Mesaba representatives at negotiating sessions on the 4th and 5th of January. We asked numerous questions at both sessions, but unfortunately, the discussions did not provide the details we were seeking to achieve a desired comfort level with Mesaba's Business Plan. Notwithstanding our continued

- request for this relevant information, we additionally request a copy of the engagement with Mercer Management Consulting indicating that this model is proprietary information belonging only to Mercer.
7. On December 12th, the Company did provide a specific but brief response for this item without any cost savings estimate. Further, to the extent that the Company reduced the original comprehensive proposal to include the subcontracting of Maintenance Controller/Coordinator only, it was first reflected in writing on page 2 in the Company's proposal dated January 4, 2006. However, AMFA contends that the other Article 4 language first proposed in writing by the Company on December 6, 2005, would allow the outsourcing of virtually all of AMFA's work. As AMFA has not yet agreed that the Company's proposed long-term concessionary Agreement is necessary or viable, and has instead maintained a financially significant but temporary term proposal while leaving the majority of contractual language alone, we have elected not to engage or include this proposal in our counters. Accordingly, we would respectfully request that if Mesaba has never (as stated) or no longer intends to subcontract virtually all of AMFA's work, then Mesaba should alter its Article 4 written proposal to precisely reflect its real intentions.
 13. While it remains the Debtor's responsibility to disclose all relevant information, we requested this documentation from MAIR on January 4, 2006. However, to date we have received no response from MAIR, even though they have indicated in Federal Court that they would comply with such requests.
 17. While it remains the Debtor's responsibility to disclose all relevant information, we requested this documentation from MAIR on January 4, 2006. However, to date we have received no response from MAIR, even though they have indicated in Federal Court that they would comply with such requests.
 33. AMFA clarified this request on January 3rd and again on January 11th in negotiating sessions. We requested a line item breakdown of bonus-type (i.e. quarterly bonus; annual bonus; any other bonus-type) management compensation currently in the Business Plan. To the extent that the court modifies such bonuses at a later date, both parties can adjust their economic models accordingly.
 34. AMFA clarified this request on January 3rd and again January 11th in negotiating sessions. We requested a line item breakdown of incentive-type (i.e. quarterly incentive; annual incentive; any other incentive-type) management compensation currently in the Business Plan. To the extent that the court modifies such plans at a later date, both parties can adjust their economic models accordingly.
 35. The data provided by the Company on December 19th was for the current period only. AMFA first requested additional information over this issue on January 6th in negotiating sessions and further clarified this request on January 11th, again, in negotiating sessions. We specifically requested the last 5 years of historical data concerning the 77% participation.

36. The data provided by the Company on December 8th was an aggregate number with no details. AMFA first requested details concerning this issue on January 4th in negotiating sessions and further clarified this request on January 11th, again, in negotiating sessions. We requested information detailing specific positions to be eliminated as a result of this initiative.

39. The Company's response of "None" to AMFA's request of a copy of any financial assessment over this issue is disturbing. AMFA additionally requests what law, document, fact or group of facts leads the Company to believe that a § 1113(c) rejection of the contract does not give the unions the right to strike.

We continue to require relevant information necessary to evaluate the company's proposal as noted below in the "Status of Disclosures."

STATUS OF DISCLOSURES:

1. Electronic copy (i.e. digital) of the business model developed by Mercer seeking general ledger level detail on all revenue and expense items contained in the plan.
Status: **NOT PROVIDED** (the refusal to provide this information is noted, however, AMFA considers this request relevant information under § 1113(c))
2. Monthly breakdown for fiscal year 2007 of the Business Plan.
Status: Provided.
3. Details of all assumptions, metrics, and drivers used to generate the Business Plan.
Status: Provided.
4. Lists of metrics and drivers for fiscal year 1996-2006 (i.e. the 10 year history).
Status: Provided.
5. Copy of un-redacted any and all current and immediate past ASA agreements.
Status: Provided (on 3 Jan. 06)
6. Updated seniority roster used to develop costing of proposals.
Status: Provided.
7. Proposed contractual language clarifying what is meant by "remove" the job classifications of Instructor, Controller/Coordinator, GSE, Maintenance Support, and explaining what the company proposes to "modify" in related provisions of the contract.
Status: **INCOMPLETE** (specifically reduced to Controller/Coordinator only and acknowledged by AMFA **but other broad and all-encompassing subcontracting language proposed by the Company still remains in Article 4**)
8. Proposed language defining the item contained in the company's costing entitled "Redline."
Status: Provided.

9. Line-item data analysis, if any, supporting 46% increase in medical insurance premium from calendar year 2005 to 2006.
Status: Provided.
10. Five years of medical insurance claim history.
Status: Provided.
11. Number of medical insurance claims over \$100,000 for each of five years of medical insurance claim history.
Status: Provided.
12. Level of re-insurance in each of the five years of medical insurance claim history.
Status: Provided.
13. Detailed operating and financial statements of MAIR Holdings.
Status: **NOT PROVIDED**.
14. Detailed operating and financial statements of Big Sky.
Status: request withdrawn in reliance upon the company's representation it has not had any dealings with Big Sky (reserving the right to re-request this.)
15. Specific details on any financial transactions between Mesaba and MAIR Holdings.
Status: Provided.
16. Specific details on any financial transactions between Mesaba and Big Sky.
Status: request withdrawn in reliance upon the company's representation it has not had any dealings with Big Sky (reserving the right to re-request this.)
17. Specific details on any financial transactions between MAIR Holdings and Big Sky.
Status: **NOT PROVIDED**.
18. Proposed Term Sheets for labor groups other than AMFA.
Status: Provided.
19. Hard-copy of the business model developed by Mercer.
Status: Provided.
20. Personnel labor costs by labor group for your current headcount, base-line headcount, and post-concessionary headcounts. (Personnel cost to include wages, taxes and premiums).
Status: **INCOMPLETE** (acknowledged by Company)
21. The headcount reflecting the personnel labor costs by labor group for your current headcount, base-line headcount and post-concessionary headcounts. (Personnel cost to include wages, taxes and premiums).
Status: Provided.

22. Behavioral factor to be applied to sick paid at 75%.
Status: Provided.
23. Calculation of savings derived from Mesaba medical/dental proposal.
Status: Provided.
24. Cost assumptions used to calculate STD savings.
Status: Provided.
25. Determination as to whether LTD premium is based on gross or straight time wages.
Status: Provided.
26. File with total AMFA sick hours paid by number of sick days.
Status: Provided.
27. File with total AMFA STD hours paid compared to other work groups.
Status: Provided.
28. Determination if cost savings targets on term sheets inclusive of tax loads.
Status: Provided.
29. LTD proposal from Mesaba cost basis-current wage rate or proposed wage rate.
Status: Provided.
30. If the LTD and STD assumes no inflation factor: please explain why not.
Status: Provided.
31. Documents or data, if any, that support the assertion by Mr. Poerstel made January 9th that no new SAAB ASA with NWA can be obtained until Mesaba obtains a 6 year contract with a 19.4% concession from AMFA, including a copy of the RFP reported in today's StarTribune article "Mesaba gets ready for its fleet to be cut by half" ("Mesaba, Pinnacle Airlines -- Northwest's other regional partner -- and U.S. regional airlines have gotten a request for proposals from Northwest for flying routes that can be served by jets seating 76 or fewer passengers. Spanjers said the proposals are due this month, and Mesaba will submit one that includes cost breakouts for 50- and 70-seat jets.)
Status: Provided.
32. Costing data for the recently ratified TWU agreement.
Status: Provided.
33. Detail break-down of the Business Plan line item designated for management bonuses.
Status: **NOT PROVIDED**.
34. Management incentive plan details.
Status: **NOT PROVIDED**.

35. Historical data, if any, that justifies 77% medical/dental participation.
Status: **INCOMPLETE** (5 year historical data not provided)
36. Details showing the productivity savings claimed on the Management Term Sheet.
Status: **INCOMPLETE** (data over specific positions being eliminated not provided)
37. Explanation for the difference between the 5 year length of the Business Plan and the 6 year duration of the proposed AMFA Term Sheet.
Status: Provided.
38. Details of plan to switch management from use of sick & vacation days into PDOs (as per disclosed 3 Jan. 06).
Status: **INCOMPLETE** (details not provided and acknowledged by Company)
39. Financial assessment, if any, of the impact on the company of a work stoppage by the ALPA, AFA or AMFA represented labor groups assuming rejection of their contracts after application by the company under § 1113(c).
Status: **NOT PROVIDED** (the refusal to provide this is noted, and as previously stated, AMFA reserves the right to withhold services in the event of a rejection.)

Notwithstanding the above, AMFA reserves the right to challenge any items it receives, or has, for accuracy or relevance.

We are disappointed that on the morning of January 18th, Mesaba elected to stop negotiating with AMFA and further informed us that unless we can submit a proposal that meets the Company's requested financial target along with a six (6) year term duration, you see no reason to schedule any future pre-1113 negotiating sessions with the Association. Regardless, AMFA remains willing to meet and discuss any proposal necessary to permit the reorganization of the debtor, however, in order to evaluate the Company's proposal the Company must provide crucial information as noted herein above. Furthermore, until Mesaba provides all relevant information requested by AMFA and subsequently exhausts the internal negotiating process, we would consider the filing of any § 1113(c) motion to be premature.

Sincerely,

/s/

Kevin D. Wildermuth
AMFA Negotiating Committee Chairman

cc:

N. Granath, AMFA Legal Counsel
K. McCormick, AMFA Financial Advisor
C. Surrisi, Mesaba Legal Counsel
B. Poerstel, VP - Mesba Technical Operations
AMFA Internal List [Redacted]