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TTO: MR. GRUNDY TAIPEI

FROM: FRANK DUNN, BASE MANAGER, VTE SUBJECT: AIRCREW NOT FLYING PUBLISHED

SCHEDULE

1. LETTER, QUOTED BELOW RECEIVED UNSIGNED BY BMVTE FROM FIRST OFFICER FOX, PURPORTS TO REFLECT VIEWS OF 99 PER CENT OF AIR AMERICA AIRCREW FLYING OR STATIONED IN LAOS:

2 DECEMBER 1967

HR70-14

FROM: ALL FLIGHT CREW MEMWERS OF AIR AMERICA INC., VIENTIANE, LAOS TO: BASE MANAGER, AIR AMERICA INC., VIENTIANE, LAOS

SUBJ: UNACCEPTABLE REVISIONS TO PROJECT PAY

1. WE, THE FLIGHT CREW MEMBERS OF AIR AMERICA, INC., BASED AT VIENTIANE, ALAOS REGRET TO INFORM YOU THAT WE WILL NOT OPERATE ANY AIRCRAFT AFTER 2400 LOCAL TIME, 4 DECEMBER 1967, EXCEPT FOR THE PURPOSE OF MEDICAL EVACUATION AND/OR FOR EXTREME EMERGENCIES, UNDER THE TERMS AND CONDITIONS PROMULGATED BY AIR AMERICA, INC., APPROVED FOR RELEASE DATE: 21-Oct-2009 REPRESENTATIVES AND AS SET FORTH IN A LETTER SIGNED BY H. SULTAN, WHICH SAID LETTER PURPORTSTO BECOME EFFECTIVE ON THE FIRST DAY OF DECEMBER 1967.

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2. IN THE EVENT ANY FLIGHT CREW MEMBER IS TERMINATED AS A RESULT OF THE AFORESAID ACTION FLIGHT OPERATIONS FOR ALL FLIGHTS WILL CEASE IMMEDIATELY.

3. WE, THE FLIGHT CREW MEMBERS OF AIR AMERICA, INC., BELIEVE THE REVISIONS TO THE PROJECT PAY TO BE ARBITRARY AND WITHOUT JUSTIFICATION.

> ALL FLIGHT CREW MEMBERS AIR AMERICA, INC.,

VIENTIANE, LAOS"

PAGE 2

2. THE SULTAN LETTER ADDS SEVENTY FIVE NAUTICAL MILE RADIUS CIRCLE FROM VIENTIANE AND TWENTY MILE ZONE FROM PAKSAN TO PAKSE EAST OF THE MEKONG WHERE PROJECT PAY IS NOT PAYABLE AT ANY ALTITUDE. THESE TWO ZONES ARE OVER AND ABOVE THE FIVE THOUSAND FEET ABOVE TERRAIN AND SEVENTY PERCENT OF BLOCK TIME LIMIT TO PROJECT PAY SPELLED OUT IN GRUNDY POLICY LETTER TO BMVTE DATED 1 NOVEMBER, 1967. WRITTEN CHANGE TO POLICY NOT RECEIVED BY BMVTE BUT ASST COMPTROLLER HERD TPE STATED TO BMVTE THE GRUNDY

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PAGE 3 VIENTIANE SECRET

POLICY IMPOSSIBLE TO RETROACTIVELY HANDLE BY ACCOUNTING THEREFORE MININE DECEMBER OF REACTIVE DECEMBER OF REACTIVE DECEMBER OF REACTIVE DATE 1 DEC1967.

3. SULTAN LETTER DELIVERED TO BMVTE 30 NOVEMBER 1967 FOR IMPLEMENTATION 1 DEC 1967. BMVTE ADVISED ASST MANAGERS AAM FLYING DEPT OF FOUR POINT SULTAN GUIDE LINES ON PROJECT PAY. BMVTE ADVISEDSULTAN IN THE PRESENCE OF ASST COMPTROLLER HERD 1 DEC 1967 THAT BMVTE HAD NOT FULLY COORDINATED ON THE FOUR POINTS IN THE SULTAN LETTER AND IN FACT HAD "NONCONCURED" IN WRITING IN THE PRESENCE OF ASB SPARKS GABELER CASI STONE AAM RHNE KNIGHT UDORN AND GILBERT. CASI STONE STATED HE COULD ONLY GO ALONG WITH THE FOUR POINTS BECAUSE THE CASI CONTRACT EXPIRES 31 DE 1967. CASI STONE TOLD BMVTE HE ADVISED CASI PILOTS ON 1 DEC 67 COMPANY WOULD COVER THE LOSS OF PROJECT PAY FOR THE MONTH OF DECEMBER. THE FOUR POINTS IN THE SULTAN LETTER WERE IN CONFLICT WITH AND OVERRODE INSTRUCTIONS GRUNDY TO BMVTE.

4. THE POSITION OF AIR AMERICA AIRCREWS APPEARS TO BE AS FOLLOWS:

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A. SHOCK- FROM A SUBSTANTIAL REDUCTION IN PAY. LOSSESTIMATED FOR CAPTAIN VOLPAR PROJECT SEVEN HUNDRED DOLLARS, FIRST OFFICER FOUR HUNDRED DOLLARS. CARIBOU C123 C46 CAPTAINS SECRET

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PAGE 4 VIENTIANE <u>SECRET</u> AROUND FIVE HUNDRED DOLLARS LOSS. GENERALLY, PERCENTAGE LOSS FROM TWENTY TO THIRTY FIVE PERCENT LOSS OF GROSS PAY, POSSIBLY LESS IN HELIO PORTER WHERE CAPTAIN IS UNRESTRICTED AND REMAINS AWAY FROM VIENTIANE IN LAOS FOR EXTENDED PERIOD.

B. LOSS OF CONFIDENCE IN AIR AMERICA TO CONSIDER AIRCREW INTERESTS. LOSS OF GROSS PAY BY PERMANENT CAPTAINS AND OTHERS FOR ABOUT THREEYEARS ACCOUNT REDUCTIONS FLYING HOURS ALLOWED PER MONTH FROM APPROXIMATELY ONE HUNDRED FIFTY HOURS OR MORE TO CURRENT THME AROUND EIGHTY THREE HOURS AVERAGE PER MONTH FOR TWELVE MONTH PERIOD. LOSS OF FRINGE BENEFITS SUCH AS DEPENDENTS CANNOT RIDE COMMISSARY FLIGHT. TIME OFF AND TRAVEL RESTRICTIONS WHEN NOT ON FLIGHT SCHEDULE IMPOSED BY DIRECTOR OF PERSONNEL. CAPTAINS AUTOMATIC REDUCTION TO FIRST OFFICER IN CASE ANY ACCIDENT. APPLICATION USFAA STANDARDS TO PILOTS WHEN CONDITIONS IN LAOS OF VISIBILITY. INSTRUMENT FACILITIES AND LANDING SURFACES MAKE IT DIFFICULT TO ACCOMPLISH EVEN PORTIONS OF REQUIREMENTS IF USFAA FOLLOWED TO THE LETTER. ATTITUDE NOW APPEARS TO BE TO FLYPRECISELY TO LETTER OF REGULATIONS, CLAIMING SUCH FLYING CAN NEVER SATISFY CUSTOMER REQUIREMENTS IN LAOS, LIKE THE PREVIOUS HIGHLY SUCCESSFUL AIR AMERICA PERFORMANCE. FLYING OVERGROSSED

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PAGE 5 VIENTIANE <u>SECRET</u> AIRCRAFT TO ALTITUDE, WITH ICING, FLAK, BLACKED OT AIRCRAFT ALL TYPES NEAR MISSES, TEN THOUSAND DOLLAR REGARD DOUBLE PROMOTION TO THAI PILOT WHO SHOOTS DOWN UNIDENTIFIED NORTHEAST THAILAND AND UNFRIENDLIES MANY AREAS INCLUDING AREA AROUND VIENTIANE IS NOT CONSISTENT WITH THE APPLICATION OF RIGID USFAA STANDARDS TO THE TYPE OF OPERATION REQUIRED IN LAOS TO GET THE JOB DONE. LIMITED MEDICAL AND DENTAL FACILITIES. MALARIA, HEPATITIS AND OTHER DISEASE THREATS TO FLIGHT STATUS ADDED TO DIFFICULTY OF TRAVEL WITH DEPENDENTS TO R AND R SITES SEEMS EXTRA SIGNIFICANT WHEN CONSIDERING A SUBSTANTIAL CUT IN PAY.

C. THE DAYS OF GUTS AND GLORY WITH DECORATIONS PUBLICITY HAVE PASSED FOR MOST WHO CONSIDER THEMSELVES PROFESSIONALS SUCCESSFULLY ACCOMPLISHING HIGHLY SPECIALIZED WORK DEMANDING A GROSS WAGE EQUALTO IF NOT BETTER THAN DOMESTIC AND INTERNATIONAL AIRCREWS.

5. FLIGHT SCHEDULE FOR 3 AND 4 DECEMBER IS EXPECTED TO BE PERFORMED BASED ON ASSURANCES TO ASSISTANT MANAGERSFLYING DEPARTMENT AND BMVTE. ASSISTANT MANAGER FLYING DEPARTMENT HOPES NEWS EXPECTED ARRIVAL 7 DEC 1967 OR EARLIER VICE FRESIDENT FLYING CONTRACTS JIM WALKER MAY SERVE TO ALLEVIATE ENOTIONS TO RESONABLE LEVELS OF CONSIDERATION OF AIRCREW/ MANAGEMENT RELATIONS.

VIENTIONE ASIGNAL CENTER NOTE: MSB FORWARDED WASHINGTON PER COS AND DERECTOR'S REQUEST

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