

March 13, 1984

TO: ALL FELLOW EMPLOYEES

FROM: ROBERT D. SWENSON  
PRESIDENT & CHIEF EXECUTIVE OFFICER

Happy St. Patrick's Day and Happy St. Urho's Day to you!

This update is to keep you informed of the progress being made within our Company.

First of all, with regards to the F27 program:

1. Paint schemes are going on the aircraft while they are in England.
2. Delivery of the first aircraft is scheduled for the end of this month.
3. Jeff Claypool and Rich Lawrence are presently in England attending Air U.K.'s ground school and Jeff will accompany the first aircraft back.
4. Pilot ground school for the additional crew members runs from April 2 to about April 20.
5. Maintenance school for the Rolls Royce Dart engine runs from March 26 to April 6.
6. The Fokker maintenance school is going from April 16 to May 8 in Minneapolis.
7. In-Flight Service training begins on April 16.

In addition to training people, acquiring support equipment and working on facilities, we are finalizing manuals, training formats and maintenance procedures. Indeed, it is a very busy time for all of us.

Second, with our Company's growth and expansion needs, I am pleased to announce some new promotions. Jeff Claypool is now Vice President/Flight Operations. Jeff continues with the responsibility for all operations involving the Flight Department.

Roger Tuttle will be promoted to Director, Station Training and Procedures. Roger will be in charge of training present and new personnel as it relates to station functions. This will include recurrent and on-the-job field training as procedures change. He will maintain all station personnel files and training records.

Mike Wind is promoted to Director, Station Operations and Sales. Mike's responsibilities are to coordinate activities of Customer Service Managers to ensure that a high level of service is provided our customers. He will monitor and evaluate all station personnel, ground equipment needs and appearance and formulate customer service policies and procedures within the Department. In addition, he will interface with Airport Managers, Chambers of Commerce and maintain a close working relationship with travel agents.

These promotions are effective April 1, 1984. Roger will be located in the Minneapolis/St. Paul terminal and Mike will remain in Sioux Falls. Please give these gentlemen your usual fine cooperation.

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Third, please find enclosed copies of our Group Life and Long-Term Disability Plans for your review.

Further, effective March 1, 1984 our Group Health Insurance premiums increased approximately 11 percent. Although none of us like to see this kind of rate increase, we should be proud that we have been able to hold our same rates for one and one-half years, while other employee groups of similar sizes have had their premiums increased significantly. We have asked for bids from other carriers and have received none that would match our present rate. One-fourth of this rate increase (employee share) will be passed on to you via your March, 1984 payroll deduction and the new payroll deduction rate will be as follows:

Family Plan - \$30.85  
Single Plan - \$10.38

Also, effective April 1, 1984, the \$5,000 of life insurance coverage that each full time employee has with Fireman's Fund will be transferred to Hartford Insurance. The new life insurance coverage with Hartford effective April 1, 1984, will increase as follows:

	From	To
Class I	\$45,000	\$50,000
Class II	25,000	30,000
Class III	15,000	20,000

The reason this change is being made is because Fireman's Fund had some restrictive covenants on the accidental death benefit that are not acceptable. Hartford clearly gives each of us a better life insurance policy. This benefit is paid for in full by Mesaba.

With all of our snowstorms, just in case you forgot, March 20th is the 1st Day of Spring!

Best regards,



Robert D. Swenson  
President & Chief Executive Officer