



**ASSOCIATION OF FLIGHT ATTENDANTS - CWA, AFL-CIO**  
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Ladies and Gentlemen:

Today in federal bankruptcy court, Judge Wedoff ruled to approve a settlement agreement with the Pension Benefit Guarantee Corporation (PBGC) that is expected to result in the termination of our pension plan. The court decision is an enormous disappointment and in addition to the effect on our pension plan, it very well may have triggered the collapse of the defined benefit pension system nationwide. In return for \$1.5 billion dollars from United, the Company expects that the PBGC will approve the termination of our plan and the three other defined benefit plans covering United employees. Ironically, Glenn Tilton found a way to save one pension plan -- his own. It's time for him to go.

United's Section 1113(c) motion to reject our Contract has been withdrawn and our opportunity to defend our pension plan through the bankruptcy process has been halted by the court. It's now up to the PBGC to determine whether the plans are to be terminated in accordance with its rules. Every expectation is that they will do so within 10 days. We would, in theory, be able to challenge the PBGC's decision separately, but the legal standard would require us to show the agency's action is "arbitrary," an almost impossible standard.

While we will renew our calls for the PBGC to reconsider its decision to enter into this settlement, we are reviewing our legal options to appeal the termination of our pension plan. We await the judge's written ruling before making final plans. One thing should be clear: our fight is far from over.

This is the end of labor relations at United Airlines with Glenn Tilton and his henchmen at the helm. The United Airlines that we have worked so hard to build is gone. Our efforts today are focused on creating a new airline from the ashes of the old and we will do this by employing escalating CHAOS™ activities focused on bring down this management group. The decisions that they have made are short-sighted, destructive and are contrary to a successful reorganization.

This management team has long since proven it cannot run an airline. Now it has shown that it has no common sense – you cannot run a service business while waging war on your front line employees. The United Board of Directors must act quickly to remove these executives before they destroy this airline.

We are gravely concerned for the success of our airline and the inept and dishonest actions of this management. We have proven our dedication to our airline through service and life-altering sacrifices. Meanwhile executives have run our airline into the ground and have engaged us in a labor relations war. There can be no labor peace with a management that has destroyed our pensions.

We will attend bankruptcy court tomorrow and stand in solidarity with our Union brothers and sisters in the International Association of Machinist and Aerospace Workers (IAM) who will be defending against rejection of their Contract.

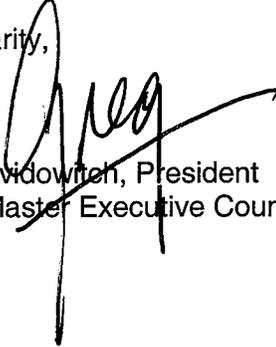


It should be clear that we are not on strike at this time, but you have overwhelmingly authorized the use of CHAOS strikes to protest any unilateral change to our Contract. This management has failed at every turn during United's 29 months of bankruptcy and they still fail to have a viable business plan.

Our message is clear: either they go or we go. We will institute legal CHAOS strikes to rid our airline of these executives and save United Airlines. It will be clear to you in the event a CHAOS strike is initiated, do not take action on your own as CHAOS is a strategic and coordinated campaign designed for maximum impact to further our goals.

Stay closely informed through all AFA communication channels as we stand in solidarity for our airline and our careers.

In Solidarity,



Greg Davidowitch, President  
United Master Executive Council