



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

Today the IAM announced that its members have ratified their tentative agreement, concluding their difficult negotiations on terms that their leadership and their members found acceptable. I would echo two important points made in the IAM announcement: United management is responsible for the bad business decisions that got us into bankruptcy, and no amount of employee concessions will fix the airline if this management team, or their successors, continue to fail at the task of running the airline.

Since unilaterally changing our Contract on July 1, United management has remained adamantly opposed to negotiating over alternatives to the termination of our defined benefit pension plan. We have met. We have argued. We have tried to discuss our proposed alternatives. But Glenn Tilton's management team insists on one pre-condition for the negotiations that is simply not acceptable: they will only talk about a replacement plan, not about preserving our defined benefit pension.

That's not good enough.

Termination of our plan on the Company's terms would result in two-thirds of our Flight Attendants losing half of our retirement benefits, even including the Company's proposed replacement plan. Under Pension Benefit Guaranty Corporation (PBCG) rules, if we allow our plan to be terminated we can never regain the value of our defined benefit pension plan - no matter how much money our airline makes in the future.

Under the federal pension law, the Employee Retirement Income Security Act (ERISA), a pension plan that has been terminated can be restored. Our fight to save the hundreds of thousands of dollars each of us stands to lose in our retirement is crucial and we must not grow weary. The time and energy we spend now to preserve our pension plan will benefit each of us and our families for the rest of our lives.

As long as management insists on a plan that would devastate the Flight Attendants' retirement security, we will not give in. They cannot bully us into submission. They cannot wait us out. They need to drop the pre-conditions and negotiate in good faith over an alternative to termination of our plan.

Until then, we will continue our three-track fight to preserve our retirement security. First, we are pushing for a legislative solution on Capitol Hill. Second, our attorneys are challenging the company and the PBGC in court. And, third, we will implement CHAOS™ strikes if that's the only way to persuade the company to restore our pension plan.

We don't want to strike but we will, if that's the only way to preserve our retirement and to protect our careers. CHAOS strikes may begin at any time.



Be prepared at all times and know the current code word. Any CHAOS strikes will be carefully targeted to maximize our impact and minimize the risks. Our GUTS (Gear Up To Strike) list is long and still growing; if you have not already volunteered please do so now to give us maximum flexibility in planning for CHAOS strikes. Those not on the GUTS list should also be prepared; CHAOS must be targeted for strategic impact and all Flight Attendants may ultimately be called upon to support the strike effort. Do not take action on your own; strike only upon direction from AFA.

One final thought in closing; perhaps United management should follow the example of American Airlines management and focus more on reducing non-labor costs (which are currently close to a billion dollars per year more than American's) and working with employees to save our pension plans. That would be a business strategy we could all embrace. Instead, if we concede on the battle over our pension, we would expect United management to come back to us for more from our Contract. We cannot allow that to happen.

Stay informed. Support each other on the line. And, stay prepared.

In Solidarity,


Greg Davidowitch, President
United Master Executive Council