



# Negotiations & You

Negotiations: Forward Focus



Winter 2011

January 28, 2011

Ladies and Gentlemen:

Since our last Negotiations & You Update a great deal has transpired: Our Compensation Proposal to management, our January 7 Day of Action, and filing with the National Mediation Board for determination of a single carrier. These are indeed monumental times we find ourselves in, filled with opportunities for a better future.

Negotiations continue as we conclude our 90th week in discussion with management in the Section 6 process. Our last mediation session was disappointingly more of the same – concessionary proposals from management on Section 33 – Benefits and Section 34 – Retirement. Once again management seeks to eliminate virtually every aspect of our Contract language and replace it with their proposal that allows them to do as they please with our Benefits. What management contemplates would destroy our Benefits, which are a key component of our Contract. Just as we have done with previous concessionary proposals from management, our Negotiating Committee rejected the notion that our Benefits will be compromised.

One of the most exciting aspects of the past few months has been in the presentation of our Compensation Proposal to management this past November. You have identified Compensation as one of our top priorities, and we took an innovative approach in making a proposal to Section 5 – Compensation to management much earlier in the process than is traditional.

Our Compensation proposal recognizes the work we do as front-line employees who have the most contact with United's passengers, while ensuring the safety of everyone on board as first responders and last line of defense. United wishes to identify our airline as the best in the world, and accordingly the Flight Attendants who make this happen need to be valued through an Industry Leading Contract that contains improvements, not concessions.

A key aspect of advancing through the merger process was initiated by AFA in January, when we filed our petition for determination of a single carrier with the National Mediation Board (NMB). This petition can only be made by the Union, and in so doing; AFA has initiated the process to determine if United meets the criteria for a single carrier. When this determination is made, it will trigger the process to determine Union representation. We believe a sufficient amount of these criteria have been met, and have filed our petition accordingly, so we may move forward in our efforts to best represent Flight Attendants at the "new" United Airlines.

Management has made no secret that they prefer to negotiate with the Machinists as opposed to AFA; and have said AFA is "difficult" in negotiations. While the sentiment from management that AFA is difficult may have been intended as a criticism, it is clearly a signal that AFA is doing a good job of standing firm in representing your interests at the negotiating table. If management prefers to negotiate with the Machinists, ask yourself why this is, and how it will impact a negotiation process that will determine the Contract we work under in the future. Remember, we fight for your priorities and don't settle for an Agreement reached on management's terms.

Also in determining a positive course for our collective future, in support of our goals, thousands demonstrated our resolve to management on January 7, 2011 in our Day of Action, protesting the inaction of management to move meaningfully towards a conclusion to Section 6 that meets the needs of Flight Attendants. Flight Attendants get it, pilots get it, other Union workers get it; the only ones who seem to miss the boat is management when it comes to realizing that we are serious about negotiating for improvements and won't back down.

Our Negotiating Committee is continually inspired by your support and resolve to see a successful conclusion to these negotiations that results in preserving our work rules, while improving Compensation, Benefits, Reserve, Schedule Flexibility and Job Security. The message sent on January 7 is clear: The Honeymoon is Over, it's time to get serious United!

You've also affirmed your resolve through our latest Contract Negotiations Survey, the results of which clearly indicate that you remain firm in your commitment to see improvements to pay, while being unequivocally unwilling to pay for those improvements through sacrifice to work rules and Benefits. You know there is a better way, and you've sent a clear message to our Negotiating Committee to stick to our guns and stand strong in confronting management's concessionary proposals.

Although now well past the "Honeymoon" period with over 130 days into the merger, we intend to hold management accountable to their promise and commitment to get serious about negotiations and move expeditiously towards a successful conclusion to the Section 6 negotiations process. We have a lot of work ahead of us with the opportunities presented with the merger with Continental, and we are anxious to move forward, but resolving our Section 6 negotiations remains a critical step on the road to the Operational Merger United seeks to achieve by 2012.

Collectively we have turned several pivotal corners these past few weeks and we face extraordinary challenges which we will confront head on, as well as embrace the opportunities associated with the merger and Section 6 process to maximize the potential for a better future for all Flight Attendants at United Airlines.

In Solidarity,

Greg Davidowitch, President  
United Master Executive Council

Association of Flight Attendants-CWA, AFL-CIO  
United Master Executive Council



[www.unitedafa.org](http://www.unitedafa.org)



## RLA Section 6 Contract Negotiations – Mediation Process

We have been in mediation since August 7, 2009. The National Mediation Board (NMB) is overseeing our negotiations and the mediator, Mr. John Livingood, determines when and where we meet for the mediation sessions along with the agenda.

The parties are not prohibited from meeting outside the mediation schedule, but management refuses to accept AFA's offer to meet any time – 7 days a week, 24 hours a day – to discuss the issues Flight Attendants have determined are important.

<i>Negotiations-to-Date</i>	
<i>Exchange of Openers</i>	April 6, 2009
<i>Joint Petition for Mediation</i>	August 7, 2009
<i>Total Direct Negotiations Sessions Held</i> (including joint mediation)	30
<i>Joint Mediation Negotiation Sessions Held</i>	15
<i>Closed Sections</i> (T.A. Reached)	8
<i>Open Sections</i> (No T.A. Reached)	27
<i>Months in Section 6 Negotiations</i>	23
<i>Total Days of Face to Face Negotiations</i>	87

### ***Contract Sections Discussed during Mediation since the August Negotiations & You Update***

One new Tentative Agreement has been agreed to and closed since the last update in November. Section 13 Military Airlift Command (MAC) was agreed to remain current book.

<i>Mediation Session Weeks</i>	<i>Contract Section(s) / Topics</i>
November 15, 2010	<ul style="list-style-type: none"> <li>• Section 10 – Reserve Scheduling Procedures</li> <li>• Section 12 – International</li> <li>• Section 5 – Compensation</li> </ul>
December 13, 2010	<ul style="list-style-type: none"> <li>• Section 1 – Recognition</li> <li>• Section 3 – Union Activity</li> <li>• Section 4 – General</li> <li>• Section 30 – Union Security</li> <li>• Section 31 – Safety, Health and Security</li> <li>• Partnership Flying and Job-Sharing</li> </ul>
January 10, 2011	<ul style="list-style-type: none"> <li>• Section 33 – Benefits</li> <li>• Section 34 – Retirement</li> </ul>
<i>Next Mediation Session</i>	<i>Contract Section(s) / Topics</i>
February 1, 2011	<ul style="list-style-type: none"> <li>• Section 1 – Scope</li> <li>• Letters of Agreement</li> </ul>

From the onset we have discussed that negotiations governed by the Railway Labor Act (RLA) can progress very slowly, and be frustrating. We know that negotiations under the RLA on average take about two years, and oftentimes longer. We are not alone. Throughout the industry Flight Attendants and other Unions are engaged in Section 6 negotiations with their respective management. Most, if not all negotiations are proceeding at frustratingly slow paces. Despite this challenge, we are moving forward and making slow but steady progress.

### ***November 19, 2011 – AFA Presents our Compensation Proposal to Management***

On November 19, 2010 we took the unconventionally bold step to present our Compensation Proposal to United management. Traditionally Compensation is one of the last items to be presented in negotiations. Through our numerous surveys where we have solicited your feedback, at our Town Hall Meetings and input from your Local Council Officers, you have made it clear that Compensation is a top priority.

Accordingly, we determined it to be advantageous to take a more innovative approach and put Compensation on the table earlier in the process. While we recognize that in addition to Compensation, Benefits and work rules are all important components in an Industry Leading Contract, they are not mutually exclusive.

At the time we made the Compensation Proposal, we were about 60 days into the United – Continental merger and had made clear to management that we expected real and meaningful changes to the dynamics of our negotiations. Management had a limited opportunity to recognize and work with the goodwill associated with this merger from Flight Attendants, but regrettably they have chosen not to do so.

Our Compensation Proposal is in line with the priorities identified by you for industry-leading compensation, a single pay scale and extending the longevity step increases. We again informed management that we expect retroactive pay from the amendable date of the Contract, January 7, 2010. It is time for management to get serious about our pay and understand that we are not willing to pay for an increase to our compensation through concessions to our work rules.

### ***January 7, 2011 – The Honeymoon is Over - Day of Action***

On January 7, 2011 we demonstrated to management and the public our frustration at the lack of meaningful progress at the negotiating table. The old and now “new” United management remains mired in their determination that we need to pay for improvements to our Contract through sacrifices in other areas, and continues to use stall, delay and divide tactics.

Section 6 Negotiations is about negotiating for improvements plain and simple. With the merger United has claimed it wishes to be identified as a world class airline; and an airline with this distinction needs to recognize the work of the frontline employees that have the most contact with passengers and deliver the product United sells.



On January 7, 2011 at locations throughout the world, over 2,000 Flight Attendants, Pilots and Members from other Unions joined our protest and stood shoulder to shoulder with us to signal we've had enough of the delay in our negotiations. We continue to build upon our commitment to stand strong together to achieve a Contract we deserve. Visit our website for pictures and videos of this event.

### ***Filing with National Mediation Board – Together We Can Do Better***

On January 18, 2011 your elected leadership unanimously adopted a resolution to petition the National Mediation Board (NMB) to declare that the United/Continental merger has created a single carrier, or Single Transportation System (STS). This will trigger a Union representation election at the new United Airlines, an important first step that will allow the combined Flight Attendant workforce to join as one Union, AFA. Our strength is in our unity. Together we can make the most out of the opportunities created by the merger of United and Continental Airlines.

We filed the application with the NMB after careful analysis with our attorneys and professional staff. While the evaluation of the factors – such as integrated labor and personnel operations; combined management, corporate officers and board of directors; common ownership - can be somewhat subjective, we believe United meets the criteria for a single carrier determination. Therefore, we did not want to wait a single day after reaching this conclusion to take this action that ignites great promise for our future.

### **Update your United Address Now**

*“Management must know that we are unified, and that we expect the best for Flight Attendants.”*

The NMB will first investigate the single carrier issue, and once the agency declares United is a single carrier an election will be triggered. The process will play out over a period of about 90 days.

Don't wait until your voting instructions arrive; prepare for the vote now.

Make sure the address you have on file with United is updated as this is the address the NMB will use to send your balloting instructions.

Talk with our co-workers, and reach out to our flying partners at Continental.

A vote for AFA will send a powerful message to management that we are unified and committed to achieving an industry-leading Contract that reflects the value we bring to our airline. We are focused on our future.

This merger and the extraordinary financial turnaround underway at United are only possible because Flight Attendants at both airlines have invested hard work and sacrifices over the years. Management must know that we are unified, and that we expect the best for Flight Attendants.

With a spirit of determination and the strength of our convictions we move forward together as a strong community of Flight Attendants. Where management seeks to divide us, we will stand together. Where outsiders threaten to sidetrack us, we will remain focused, and, wherever Flight Attendant issues are at stake, we remain steadfast. The time has come for us to stand up and fight for a strong Union of Flight Attendants: Together We Can Do Better.



### ***Management's Idea of Benefits – No Contractual Benefits***

Management's most recent attack on our Contract comes in the form of further concessions proposed on Section 33 – Benefits and Section 34 – Retirement. A detailed review of the drastic elimination of all existing components of our Contractual Benefits United proposes to replace with a single paragraph that allows management to do virtually anything they please is included in this update. The "Continental Contract inspired" proposal seeks to eliminate decades of hard won protections in our Agreement, provisions that have proven to reduce the impact of rising healthcare costs on our Membership in a very meaningful way. Benefits are a critical aspect of our Contract and need to be safeguarded through strict Contractual provisions.

The idea that we would leave our healthcare in the hands of a management that has proven to not have our best interests in mind for over a decade would be unthinkable. In their most recent proposals management continues along an ill-conceived path towards further eroding our careers and Benefits that is unacceptable. Affordable, accessible and comprehensive healthcare is a necessity each of us relies on to ensure our health and that of our families. We continue to reject this and all concessionary proposals from management that are not in-line with the priorities you have determined are necessary for the successful conclusion to Section 6 negotiations.

### ***Recent Contract Negotiations Survey Affirms Member Priorities***

Our most recent Contract Negotiations Survey closed on January 18, 2011, and as we review the results, it is clear you have affirmed our Negotiations Committee remains on target with negotiating the priorities you continue to identify through our on-going survey process. In addition to your responses, we have also received hundreds of pages of written comments that are invaluable for adding to the two-way communication that is necessary for successful negotiations. As you know, we utilize the independent services of a balloting company to ensure the highest standards for integrity, confidentiality, security and insure valid polling results.

Participation in our Negotiations Surveys remains high with thousands of you taking the time to provide your valuable feedback to direct the course of our negotiations. Without a doubt, our community recognizes the significance of these negotiations and the challenges we confront with management. These most recent results again confirm that there can be no doubt in management's mind about who they are negotiating with and that our community of Flight Attendants stands behind our proposals built upon our collective priorities. It's clear from your feedback what you expect, what you are willing to fight for, and that you continue to reject management delay tactics and their concessionary proposals.

It is unmistakable that you have again rejected management concessionary proposals and the long term consequences associated with those proposals. It is also clear that in addition to increasing your Compensation, you recognize the road to achieve improvements is not through sacrifices to work rules or other critical components of our Contract. Provisions of our Contract such as 8-in-24 ensure rest that is appropriate for the work we perform, while allowing management scheduling parameters that are insure efficiency in scheduling their operation.

Your mandate is to:

- Stand firm at the negotiating table focused on the issues you continue to identify as important in a new Contract.
- Reject the notion that Flight Attendants must give up work rules, benefits and legality protections for higher hourly rates of pay.
- Fight for industry leading pay, improvements to benefits and enhanced work rules.

This survey, as with past surveys, is a step in the process to ensure we remain on track with pursuing the goals you have set for our Negotiating Committee at the table. We will continue, as we have from the beginning to solicit your feedback through surveys, from our Town Hall Meetings, through discussions with your Local Council, our FANN Network and other means to continue to best represent you.



## Status of Negotiations - Comparison of Proposals

January 28, 2011

On April 6, 2009 we presented a 148-page Opening Proposal of the Contractual improvements you determined were our priorities through Member negotiations surveys, discussions at the Roadshow in the fall of 2008, feedback to your Local Council and direct interaction with our Negotiating Committee. On the same day management presented a 4-page letter of generalities with concessionary verbiage in reference to pay, healthcare, work rules, job security and quality of work life.

After 90 weeks of negotiations management continues to present concessionary proposals. We have completed a review of all Sections of the Contract and management has reviewed 34 of 35 Sections of our Collective Bargaining Agreement. This past November, we presented management with our comprehensive proposal on Section 5 – Compensation. During the most recent mediation session management presented us with their proposals on Section 33 – Benefits and Section 34 – Retirement; which seek to eliminate all of the Contractual provisions related to Benefits and Retirement. They wish to replace our Contractual guarantees related to Benefits and Retirement with an agreement that Benefits (any offered Health, Welfare and Retirement Programs) would be largely offered at management discretion and subject to Company policy that may be changed unilaterally.

The following is a summary reminder of our proposal set in contrast to the proposals made by management to this point. This is just a summary, and may not include full review of our collective goals as contained in our 148-page Opening Proposal. View our Opening Proposal document and video anytime at [www.unitedafa.org/contract/negotiations](http://www.unitedafa.org/contract/negotiations).

Each Section of the Contract will achieve a “T.A.” or “tentative agreement” between the parties prior to a final agreement. Sections tentatively agreed (T.A.) upon are not final until a final agreement has been reached. A Tentative Agreement must be ratified by AFA Members in order to take effect.

Red = Updated changes from November 5, 2010

Book = Current Contract

Section 1 – Recognition		Section 2 – Definitions	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Book</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Book on Recognition</li> <li>• Scope To Be Decided</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase holidays</li> <li>• Same day reassignment (“fake 3-day” fix)</li> <li>• EWR/JFK/LGA Co Terminals (Agreed)</li> <li>• Domestic Partner Definition</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• EWR/JFK/LGA Co-Terminals (Agreed)</li> <li>• No revised proposal</li> </ul>
Section 3 - Union Activity		Section 4 – General	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase FPL</li> <li>• Union office space</li> <li>• No use of disapproved hotels</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Limit scope of Union Travel and number of Union Reps</li> <li>• Eliminate Union involvement in hotel selection</li> <li>• Reduce activities eligible for FPL</li> <li>• Reduce required LEC information</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase PTO</li> <li>• No fee for CJA</li> <li>• Recording of Crew Desk</li> <li>• International domiciles direct deposit</li> <li>• International On-Board rest facilities improvement</li> <li>• Signature required mail</li> <li>• Current book for \$50 minimum reimbursement check (Agreed)</li> <li>• Reciprocal Cabin Seats (Agreed)</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Eliminate PTO</li> <li>• Eliminate Pass Travel for opposite gender Domestic Partners</li> <li>• Eliminate Pass Travel for surviving spouse</li> <li>• Company’s unilateral ability to change Pass Travel</li> <li>• Ability to substitute companion for spouse for Pass Travel</li> <li>• Eliminate checked luggage on International trips of 4 days or more</li> <li>• Free local calls, Wi-Fi in existing Domicile crew lounges</li> <li>• Eliminate crew lounges at non-Domicile locations</li> <li>• Expand tidying requirements</li> <li>• Eliminate staffing guidelines and minimum bid positions</li> <li>• CJA denied for weight restrictions</li> </ul>

Section 5 - Compensation		Section 6 - Expenses, Transportation & Lodging	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase pay</li> <li>• Increase Reserve guarantee and override</li> <li>• Merged pay scale</li> <li>• Increase Longevity</li> <li>• Increase Drafting pay</li> <li>• Increase Penalty pay</li> <li>• New “ground pay”</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• No proposal</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase expenses</li> <li>• Greater of \$40 or 40% of cost of room for not using layover hotel (counter-proposal)</li> <li>• Downtown for layovers over 15 hours</li> <li>• Increase crew meals</li> <li>• Actual reimbursement for cab or transportation</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• \$20 payment for not using layover hotel</li> <li>• No Downtown layover requirement</li> <li>• Eliminate ability for self help if room not ready</li> <li>• Hotel room for sits over 5 hours or 4 hours if between 2100 and 0559</li> <li>• No Per diem rate proposal</li> <li>• Per diem not paid for training at domicile</li> <li>• Parking provided at Domicile only. Ability to choose \$30 commuting payment in lieu of parking</li> <li>• Eliminate taxi reimbursement between 2200 to 0800 departure and 2000 to 0600 arrival</li> <li>• Eliminate short call taxi reimbursement</li> <li>• Eliminate domestic crew meals</li> <li>• Payment when required international crew meal not provided</li> </ul>
Section 7 - Hours of Service & Contractual Legalities		Section 8 - Minimum Pay and Credit	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase RSV # of days off</li> <li>• Shorten duty day</li> <li>• Increase legal rest</li> <li>• Improve crew rest</li> <li>• Key-in-hand legal rest on layovers</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Eliminate Quarter System</li> <li>• Eliminate rest provisions: <ul style="list-style-type: none"> <li>• 8-in-24</li> <li>• 30-in-7</li> <li>• 1-in-7</li> </ul> </li> <li>• Extend Maximum Duty Time to 16 hours, or more when last segment is Deadhead</li> <li>• Reduce Legal Rest to 8:45 hrs actual on layover</li> <li>• Weaken the limitations on Night-Into-Day Flying</li> <li>• Reduce LH minimum days off to 8, RSV to 10</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Increased duty rigs</li> <li>• 8.J. reassignments</li> <li>• Drafting pay</li> <li>• Increase call out pay</li> <li>• Full pay for holding</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Eliminate minimum duty rigs (5/10/15/20)</li> <li>• Reduce trip rig – time away from home (1 for 4) only when ID has pre-scheduled layover of 29 hours</li> <li>• Holding time paid after 30 minutes. Eliminate limit on max holding</li> <li>• Expand reassignment and drafting criteria and eliminate Order of Assignment</li> </ul>
Section 9 - Flight Assignments & Scheduling Procedures		Section 10 – Reserve Scheduling Procedures	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase staffing</li> <li>• Reassignment pay</li> <li>• Trip trading improvements</li> <li>• Lower line averages</li> <li>• No conversion from DHD for service enhancement</li> <li>• Eliminate required purser qualification for domestic</li> <li>• Limited critical coverage provisions (Agreed)</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Increase max line value Dom: 95:15 Intl: 99:54</li> <li>• Eliminate minimum bid positions</li> <li>• Prevent trades that lower lines below 40 hours</li> <li>• Mix Intl and Dom IDs</li> <li>• Limited critical coverage provisions (Agreed)</li> <li>• Expand definition of domestic</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Improve Reserve Scheduling procedures - preferencing</li> <li>• Improve Reserve trading procedures</li> <li>• No more than 3 conversions to Ready per month</li> <li>• No more than 3 STBY assignments per month</li> <li>• Increase Reserve days off</li> <li>• Reserve guarantee 90 hours</li> <li>• Increase Reserve Override</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• “A Reserve is always subject to reassignment”</li> <li>• Straight Reserve</li> <li>• All Ready Reserves</li> <li>• A Call out Reserve is Ready Reserve for 8 hours a day.</li> <li>• All Reserves on 24 hour call for 1st 3 days of month and holiday periods</li> <li>• Reduce Reserve days off to 10 with 6 movable days</li> <li>• Reserve guarantee 83 hours</li> </ul>

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Section 9 - Flight Assignments & Scheduling Procedures		Section 10 – Reserve Scheduling Procedures	
	<b>United Management</b> <ul style="list-style-type: none"> <li>Eliminate minimum guaranteed trades with open flying &amp; trades will be denied if Crew Desk determines RSV coverage is insufficient</li> <li>Up to 5 LQs on domestic flights</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>5-hour pay per Vacation day</li> <li>Eliminate second assignment</li> <li>Ability to trade Reserve assignments</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>Eliminate Reserve override</li> <li>Reserve bumped from assigned IDs by Lineholder</li> <li>2-hour call out, 1:40 actual</li> <li>6-hour airport standby, paid for 4 hours. Trip may be assigned up to 2 hours beyond 6 hour / standby; or longer if insufficient Reserve coverage</li> <li>Airport standbys to board, deplane and perform pre-departure</li> <li>All Reserves subject to board, deplane, perform pre-departure at the end of assignment</li> <li>No order of assignment/time accrued</li> <li>Eliminate 8-hour free from contact on layover</li> <li>Must remain phone available for possible reassignment after receiving assignment</li> <li>Eliminate Christmas wish list</li> <li>Expansion of second assignment rights</li> <li>Reduce legal rest</li> <li>No monthly cap for Reserves</li> <li>Ability to pick up trips departing before 1100 when returning from days off. May be subject to reassignment at check-in</li> </ul>
Section 11 – Deadheading		Section 12 – International	
<b>AFA</b> <ul style="list-style-type: none"> <li>Seating assignments and upgrade procedures</li> <li>Economy Plus and exit row seat booking for Economy</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>Booked in Economy for all DHD. Exit row and seat assignment priorities</li> <li>Upgrade per “Chain of Command”: Captain, then other pilots, next Purser, and lastly, other Flight Attendants in seniority order</li> <li>No drinking while DHD at any time</li> <li>Restrict DHD deviation</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>Reassignment &amp; drafting pay</li> <li>Reduce duty day</li> <li>Increase legal rest</li> <li>West Coast and Hawaiian turn restrictions</li> <li>Eliminate selection and increase Purser Training</li> <li>Purser discretion for Onboard rest</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>Increase duty day</li> <li>Decrease legal rest</li> <li>Shrink definition of International</li> <li>Up to 5 LQs per flight</li> <li>Pay system senior Flight Attendants extra for ability to increase number of LQ positions</li> <li>Restrict LQ schedule flexibility</li> <li>LQ's only to bid and be awarded LQ line or Reserve in primary language</li> <li>Pursers only to bid and be awarded Purser line or Purser Reserve</li> <li>No Qualified Purser on domestic flights</li> <li>Eliminate minimum flying assigned to US Domiciles</li> <li>Company designates flights with Purser override</li> </ul>

Section 11 – Deadheading		Section 12 – International	
			<b>United Management</b> <ul style="list-style-type: none"> <li>• Current Purser not grandfathered into new program</li> <li>• Discipline free to become Purser</li> <li>• Interview for Purser</li> <li>• Purser disqualified for LOW 2 or per management decision</li> <li>• Purser Reserves 12 days off scheduled, 10 days minimum</li> <li>• Purser training at company discretion</li> <li>• Restrict Purser schedule flexibility</li> <li>• Max 4 Flight Attendants on crew rest at any time except on 747</li> <li>• Pay if required crew meal not provided</li> </ul>
Section 13 - Military Airlift Command (T.A.)		Section 14 - Temporary Duty Assignment (T.A.)	
<ul style="list-style-type: none"> <li>• Book</li> </ul>		<ul style="list-style-type: none"> <li>• Book</li> </ul>	
Section 15 - Training and Meetings		Section 16 – Uniforms	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Full pay for training and travel</li> <li>• Pay greater of trip's dropped, 5 hours or 1 for 1.2</li> <li>• AFA approved hotel</li> <li>• Ability to trade even if did not bid</li> <li>• Increase IST Training</li> <li>• Home study paid at the greater of 1 hour or 1 for 1.2</li> <li>• Travel to training in the form of an ID</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Eliminate 3-hour min pay guarantee</li> <li>• Paid at 2:30 hours</li> <li>• 1-hour pay for home study regardless of length</li> <li>• Eliminate restriction on training at night and length of training</li> <li>• Eliminate 1-in-7 protection</li> <li>• Must trade or drop conflict or removed without pay</li> <li>• Must attend RET on must go month or subject to discipline</li> <li>• Space available travel when returning from training unless flying the next day</li> <li>• Travel to training in the form of an ID</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• No advertising on uniforms</li> <li>• Clarify uniform points (Agreed)</li> <li>• Clarify replacement due to wool allergies (Agreed)</li> <li>• Limited exception to distinctly different uniforms (Agreed)</li> <li>• Make winter coat part of basic uniform (Agreed)</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Clarify uniform points (Agreed)</li> <li>• Clarify replacement due to wool allergies (Agreed)</li> <li>• Limited exception to distinctly different uniforms (Agreed)</li> <li>• Make winter coat part of basic uniform (Agreed)</li> </ul>
Section 17 – Seniority		Section 18 – Vacations	
<b>AFA</b> <ul style="list-style-type: none"> <li>• 6 year accrual while on Medical Leave of Absence</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Flight Attendants who transfer to Onboard Management to retain and accrue seniority indefinitely</li> <li>• Increase probation period to 8 months</li> <li>• Flight Attendants on special assignment or who transfer to positions in Onboard accrue seniority indefinitely</li> <li>• Medical Leave of Absence maximum, shorter of 6 years or time in service</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase vacation days for under 5 years and over 30 years</li> <li>• 4:00/5:00 per vacation day based on increased flying levels</li> <li>• Vacation work through</li> <li>• Increase allocation for interim bids</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Max 37 paid days – reduce accrual based on min flying levels, 7 unpaid days</li> <li>• 3:15 per vacation day</li> <li>• Eliminate interim bid process</li> <li>• Eliminate vacation pay advance</li> <li>• Maximum 5 splits</li> <li>• Vacation fly through</li> <li>• Eliminate vacation buy back</li> <li>• Eliminate DAT</li> </ul>



Section 19 - Sick Leave		Section 20 - Physical Examinations (T.A.)	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase monthly sick leave accrual to 5/6 hour based on increased flying levels</li> <li>• Occupational bank</li> <li>• Long term bank</li> <li>• Rapid re-accrual</li> <li>• Direct deposit for Occupational reimbursement</li> <li>• Cash out of sick leave bank at retirement</li> <li>• Use of sick leave for family member</li> <li>• Turbulence related injury occupational process</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Sick leave accrual to 4 hours decreased based on flying level</li> <li>• Occupational bank rapid depletion</li> <li>• Catastrophic bank</li> <li>• Rapid re-accrual</li> <li>• No sick leave accrual on sick leave status</li> <li>• Use of sick leave for spouse and children</li> <li>• Reduce use of sick leave pay to supplement Occupational benefits</li> <li>• Sick leave make up within same month only</li> <li>• Monthly sick leave and occupational pay capped at 83 hours</li> <li>• Benefits under COBRA after 30 days of unpaid sick leave</li> </ul>	<ul style="list-style-type: none"> <li>• Book</li> </ul>	
Section 21 - Reduction in Personnel		Section 22 - Filling of Vacancies	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Book</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Benefits under COBRA while on voluntary furlough</li> <li>• Furlough by domicile - may displace junior Flight Attendant in other location</li> <li>• No specific length of time when awarded voluntary furlough. Terminated if not recalled within 5 years</li> <li>• Flight Attendants on special assignment may not be subject to furlough</li> <li>• Restrict system-wide voluntary furlough awards for International Domiciles</li> <li>• Restrict voluntary furlough awards for Pursers and LQ</li> <li>• No requirement to create vacancies where Flight Attendants can legally work</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Right of return to closed domiciles</li> <li>• Right of return for surplus</li> <li>• Ability to transfer while on leave</li> <li>• Secure visas for Intl Domicile closure</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Eliminate hotel for new hires or for newly established domiciles</li> <li>• Eliminate annual BP-3 for Intl Domiciles</li> <li>• Eliminate COMAT allowance</li> <li>• Settling time to be taken within a month of transfer</li> <li>• Inability to transfer if on LOW 4 discipline level</li> <li>• New hires may transfer before incumbent Flight Attendants</li> <li>• Ability to force transfer to international location</li> </ul>
Section 23 - Leaves of Absence		Section 24 - Moving Expenses	
<b>AFA</b> <ul style="list-style-type: none"> <li>• 6 year accrual while on Medical Leave of Absence</li> <li>• Maternity, paternity, adoption leave extension of up to 180 days</li> <li>• FMLA improvements</li> <li>• Ability to be awarded new leave from leave status</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Medical Leave of Absence maximum, shorter of 6 years or time in service</li> <li>• Educational seniority accrual reduced from 270 days to 90 days</li> <li>• Reduce ability to fly until 31st week of pregnancy to 27th week</li> <li>• Eliminate maternity leave extension for the health of the newborn child</li> <li>• Maternity leave extension up to 12 month. Seniority accrual stops the later of 8 weeks after delivery or after 90 days on leave</li> <li>• Benefits under COBRA after 30-days unpaid status</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Expanded language</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Eliminate moving expenses for new domiciles</li> <li>• Reduce reimbursement for moving expenses from actual to \$500 maximum without receipts or \$10,000 with receipts for moving at company request</li> <li>• Flight Attendants excluded from moving expenses policy extended to other employee groups and management</li> </ul>

<b>Section 25 - Personnel File (T.A.)</b>		<b>Section 26 - Grievance Procedures</b>	
<ul style="list-style-type: none"> <li>• All complaint letters/inflight observations removed after 12 months</li> <li>• Extend time to place reports in Flight Attendants' Personnel File by 6 days after receipt at domicile</li> </ul>		<b>AFA</b> <ul style="list-style-type: none"> <li>• Book</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• 30-day statute of limitation to file LEC and MEC Grievance</li> </ul>
<b>Section 27 - System Board of Adjustment (T.A.)</b>		<b>Section 28 - Missing, Internment, Prisoner of War Benefits (T.A.)</b>	
<ul style="list-style-type: none"> <li>• Provision to ensure 80 days of System Board are used</li> </ul>		<ul style="list-style-type: none"> <li>• Book</li> </ul>	
<b>Section 29 - Worker's Compensation Benefits (T.A.)</b>		<b>Section 30- Union Security</b>	
<ul style="list-style-type: none"> <li>• Book</li> </ul>		<b>AFA</b> <ul style="list-style-type: none"> <li>• Clarify dues collection</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Probationaries to pay dues</li> <li>• Eliminate appeal process for termination for non-dues payment</li> </ul>
<b>Section 31 - Safety and Health and Security</b>		<b>Section 32 - Savings Clause (T.A.)</b>	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Fatigue protection</li> <li>• Pesticide protection</li> <li>• Communicable Disease Policy (Agreed)</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Communicable Disease Policy (Agreed)</li> </ul>	<ul style="list-style-type: none"> <li>• Book</li> </ul>	
<b>Section 33 – Benefits</b>		<b>Section 34 – Retirement</b>	
<b>AFA</b> <ul style="list-style-type: none"> <li>• Premiums lowered &amp; capped</li> <li>• Coordination of benefits</li> <li>• Improve prescription drug program</li> <li>• Modernize health and wellness charts</li> <li>• Short term disability</li> <li>• Lower retirement age to 50</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Eliminate Contractual provisions. All benefits and terms offered at company discretion</li> <li>• Increase Flight Attendant cost</li> <li>• Company to pay no more than 80% of aggregate cost of Medical Plans, if plans offered: <ul style="list-style-type: none"> <li>o “Notify the Union in writing in advance of the effective date of such changes”</li> </ul> </li> <li>• Eliminate all other Contractual requirements: <ul style="list-style-type: none"> <li>o Medical</li> <li>o Dental</li> <li>o Vision</li> <li>o Prescription drugs</li> <li>o Long term care</li> <li>o Flexible spending</li> <li>o Long term disability</li> <li>o 24-hour</li> <li>o Special hazard</li> <li>o Life (term)</li> <li>o Group Universal Life (GUL)</li> <li>o Caps on annual increases for medical and prescription drugs</li> <li>o PPO, HMO and Dental</li> <li>o Maximum deductibles, out of pocket, co-insurance amounts</li> </ul> </li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Increase direct contribution and match to 401(k) or equivalent</li> <li>• Roth IRA</li> <li>• Annuity feature</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• 401(k) 3% direct contribution 3% match</li> <li>• Eliminate Contractual Provisions</li> <li>• All benefits and terms related to Retirement or 401(k) offered at company discretion</li> <li>• Eliminate all other Contractual requirements: <ul style="list-style-type: none"> <li>o Vesting</li> <li>o Enrollment</li> <li>o Loan features</li> <li>o In-service withdrawal</li> <li>o Quarterly statements</li> <li>o Expedited dispute resolution process</li> <li>o Retirement Board</li> <li>o Contributions to be made each pay period</li> </ul> </li> <li>• Eliminate Union consent prior to changes to the plan</li> <li>• Company indicated they <u>will</u> shift all plan expenses to participants</li> </ul>

continued on next page

Section 33 – Benefits		Section 34 – Retirement	
	<b>United Management</b> <ul style="list-style-type: none"> <li>o Home healthcare, extended care facilities, hospice, auditory, preventative care, psychiatric and substance abuse and all other covered expenses</li> <li>o Definition of provider</li> <li>o Definition of dependent</li> <li>o Survivors' benefit</li> <li>o Post-Medicare medical benefits and life insurance for future retirees</li> <li>o Retiree Medical Board</li> <li>• Eliminate requirement for Union consent to modify any benefit program</li> </ul>		
Section 35 - Duration (and Letters of Agreement) Letters on which we have reached Tentative Agreement=Current Book		Hotel Standards	
<ul style="list-style-type: none"> <li>• AFA Staff Travel</li> <li>• Commuter Policy</li> <li>• Donation Check-Off Procedures</li> <li>• Extended Duty Time International</li> <li>• Low Cost Operation</li> <li>• Non-U.S. Tax Deferral</li> <li>• Recognition of International Domicile Issues</li> <li>• Safe Airlines</li> <li>• 747 Dumbwaiter</li> <li>• Taking Tickets Off Aircraft</li> <li>• Wage Garnishment</li> </ul>	<ul style="list-style-type: none"> <li>• Commuter Policy</li> <li>• Distribution Agreement (Equity)</li> <li>• Duty Free Commission</li> <li>• Duty Free Employee Discount</li> <li>• International Flying Distribution</li> <li>• Onboard Research</li> <li>• Reserve Pagors</li> <li>• Resignation Special Pass Benefit</li> <li>• Special Assignment Calculation</li> <li>• Training Jumbo</li> </ul>	<b>AFA</b> <ul style="list-style-type: none"> <li>• Incorporate into Agreement</li> </ul>	<b>United Management</b> <ul style="list-style-type: none"> <li>• Eliminate Hotel standards including safety, amenities, food and all required standards</li> <li>• Eliminate all Union involvement</li> </ul>
Partnership Program		Partnership / Jobshare	
<b>AFA current book</b> <ul style="list-style-type: none"> <li>• Company to offer Partnership to avoid furlough</li> <li>• Partnership awarded based on seniority of senior partner</li> <li>• Line awarded based on seniority of junior partner</li> <li>• Flight Attendants with different qualifications may be partners</li> <li>• Half Sick Leave and Vacation accrual</li> <li>• Monthly max: 46/48:30/50 hours</li> <li>• Reserve Guarantee: 3:45/3:57 hours per day of availability</li> <li>• Procedures to shift vacation if partners' vacations overlap</li> </ul>		<b>United Management</b> <ul style="list-style-type: none"> <li>• Partnership duration of calendar year</li> <li>• Jobshare duration of bid month</li> <li>• Both offered at management discretion</li> <li>• No requirement to offer to avoid involuntary furlough</li> <li>• Partnership/Jobshare awarded based on seniority of senior partner</li> <li>• Offered by domicile</li> <li>• Line awarded based on seniority of senior partner</li> <li>• Flight Attendants with different qualifications may not be partners</li> <li>• Company may deny award based on qualifications</li> <li>• Vacation and Sick Leave accrual reduced based on flying level</li> <li>• Monthly max: 55 hours</li> <li>• Reserve Guarantee: 41:30 regardless of days of availability</li> <li>• Reserve line split in the middle (ie. 1-15/16-30)</li> <li>• No provision to shift vacation if partners' vacations overlap</li> </ul>	

## ***November 19, AFA Section 5 - Compensation Proposal***

***On November 19, 2010 AFA took an innovative approach towards our Section 6 Negotiations by providing management with our Proposal on Section 5 – Compensation. Traditionally Compensation is one of the last items discussed in negotiations, but because of the stall and delay tactics employed by our management, it became clear we needed to address this critical issue sooner rather than later.***

AFA has proposed an industry-leading compensation proposal, with a single pay scale and longevity raises to 20 years. This was presented at the negotiating table during our mediation session the week of November 15, 2010. The proposal is reasonable for Flight Attendant compensation at the industry's leading airline. The proposal also recognizes our sacrifices and hard work to pull United Airlines out of its darkest days brought on by abysmal former management decisions. And, the proposals recognize the value of Flight Attendant contributions to our airline's success. We have already put management on notice that we expect retroactive pay to be negotiated to the amendable date of the Contract, January 7, 2010.

- We all recognize that domestic pay has languished and therefore we are proposing a single pay scale with increases for everyone.
- We all recognize that our most junior members can barely survive on pay in the first five years and therefore we are proposing building in 2% higher increases to lift their compensation rates.
- We all recognize that Flight Attendants at the top of the pay scale have had to weather the bankruptcy cuts without even the minimal buffer of step pay raises and therefore we are proposing to build in new longevity steps to 20 years.

For those Members with less than 20 years seniority it is important to read a step up each year in the pay charts for your true pay rate. For example, if a Member is currently in the fifth year pay scale, she or he should view the 6th year pay rate for 2011.

Many Flight Attendants have been at the top of the pay scale for over 10 years. The longevity increases recognize our continued service and provide Flight Attendants who have been at the top of the pay scale an immediate return for their sacrifices above the flat percentage increases. The longevity increases also help to ensure substantial pay increases for all Flight Attendants, those who fly international or domestic, as we move to a single pay scale.

### **Background**

- Highest international rate in effect prior to cuts \$48.87 as of April 1, 2002
- Highest international book rate prior to cuts \$49.85 as of March 1, 2004
- Highest AFA proposal rate: \$64.88 for a difference of 50.38%
- Highest domestic \$45.02 prior to cuts as of April 1, 2002
- Highest domestic book rate prior to cuts \$45.92 as of March 1, 2004
- Highest AFA proposal rate: \$64.88 for a difference of 63.21%
- Wage Rate Cuts were 9% in first round cuts and 9.5% in the second round of cuts
- Since 2007 we have had two 2% wage rate increases and one 3% wage rate increase.



**Single Pay Scale Percentage Increase with Longevity Steps to 20 Years from Current Domestic Hourly Wage**

<b>Yrs</b>	<b>Current Domestic</b>	<b>2010 16.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2011 7.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2012 7.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2013 7.00% Raise + Single Scale</b>	<b>Total % Increase</b>
<b>1</b>	\$18.46	<b>\$22.04</b>	19.39%	<b>\$23.58</b>	27.75%	<b>\$25.23</b>	36.69%	<b>\$27.00</b>	46.26%
<b>2</b>	\$19.51	<b>\$23.27</b>	19.27%	<b>\$24.90</b>	27.62%	<b>\$26.64</b>	36.55%	<b>\$28.51</b>	46.11%
<b>3</b>	\$20.75	<b>\$24.72</b>	19.13%	<b>\$26.45</b>	27.47%	<b>\$28.30</b>	36.39%	<b>\$30.28</b>	45.94%
<b>4</b>	\$21.34	<b>\$25.39</b>	18.99%	<b>\$27.17</b>	27.32%	<b>\$29.07</b>	36.23%	<b>\$31.11</b>	45.77%
<b>5</b>	\$24.20	<b>\$28.70</b>	18.59%	<b>\$30.71</b>	26.89%	<b>\$32.86</b>	35.77%	<b>\$35.16</b>	45.28%
<b>Yrs</b>	<b>Current Domestic</b>	<b>2010 16.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2011 5.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2012 5.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2013 5.00% Raise + Single Scale</b>	<b>Total % Increase</b>
<b>6</b>	\$31.82	<b>\$41.09</b>	29.12%	<b>\$43.14</b>	35.58%	<b>\$45.30</b>	42.36%	<b>\$47.56</b>	49.48%
<b>7</b>	\$33.54	<b>\$43.05</b>	28.35%	<b>\$45.20</b>	34.76%	<b>\$47.46</b>	41.50%	<b>\$49.83</b>	48.58%
<b>8</b>	\$34.37	<b>\$43.92</b>	27.78%	<b>\$46.11</b>	34.17%	<b>\$48.42</b>	40.88%	<b>\$50.84</b>	47.92%
<b>9</b>	\$35.49	<b>\$45.37</b>	27.83%	<b>\$47.64</b>	34.22%	<b>\$50.02</b>	40.93%	<b>\$52.52</b>	47.98%
<b>10</b>	\$36.63	<b>\$46.26</b>	26.29%	<b>\$48.57</b>	32.61%	<b>\$51.00</b>	39.24%	<b>\$53.55</b>	46.20%
<b>11</b>	\$37.42	<b>\$47.29</b>	26.38%	<b>\$49.66</b>	32.70%	<b>\$52.14</b>	39.34%	<b>\$54.75</b>	46.31%
<b>12</b>	\$38.31	<b>\$48.46</b>	26.51%	<b>\$50.89</b>	32.83%	<b>\$53.43</b>	39.47%	<b>\$56.10</b>	46.45%
<b>13</b>	\$39.14	<b>\$49.38</b>	26.17%	<b>\$51.85</b>	32.47%	<b>\$54.44</b>	39.10%	<b>\$57.16</b>	46.05%
<b>14</b>	\$39.75	<b>\$50.04</b>	25.89%	<b>\$52.54</b>	32.19%	<b>\$55.17</b>	38.80%	<b>\$57.93</b>	45.74%
<b>New Longevity Steps</b>									
<b>Yrs</b>	<b>Current Domestic</b>	<b>2010 16.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2011 5.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2012 5.00% Raise + Single Scale</b>	<b>Total % Increase</b>	<b>2013 5.00% Raise + Single Scale</b>	<b>Total % Increase</b>
<b>15</b>	\$39.75	<b>\$51.04</b>	28.41%	<b>\$53.59</b>	34.83%	<b>\$56.27</b>	41.57%	<b>\$59.09</b>	48.65%
<b>16</b>	\$39.75	<b>\$52.04</b>	30.92%	<b>\$54.64</b>	37.47%	<b>\$57.38</b>	44.34%	<b>\$60.25</b>	51.56%
<b>17</b>	\$39.75	<b>\$53.04</b>	33.44%	<b>\$55.69</b>	40.11%	<b>\$58.48</b>	47.12%	<b>\$61.40</b>	54.47%
<b>18</b>	\$39.75	<b>\$54.04</b>	35.96%	<b>\$56.74</b>	42.75%	<b>\$59.58</b>	49.89%	<b>\$62.56</b>	57.39%
<b>19</b>	\$39.75	<b>\$55.04</b>	38.47%	<b>\$57.79</b>	45.40%	<b>\$60.68</b>	52.66%	<b>\$63.72</b>	60.30%
<b>20</b>	\$39.75	<b>\$56.04</b>	40.99%	<b>\$58.84</b>	48.04%	<b>\$61.79</b>	55.44%	<b>\$64.88</b>	63.21%

**NOTES:**

- Highest Domestic Wage Rate in 2002, before bankruptcy forced cuts, was \$45.02.
- AFA has already put management on notice that we expect retroactive pay to the amendable date of the Contract, January 7, 2010.

**Single Pay Scale Percentage Increase with Longevity Steps to 20 Years from Current International Hourly Wage**

<b>Yrs</b>	<b>Current International</b>	<b>2010 16.00% Raise</b>	Total % Increase	<b>2011 7.00% Raise</b>	Total % Increase	<b>2012 7.00% Raise</b>	Total % Increase	<b>2013 7.00% Raise</b>	Total % Increase
<b>1</b>	\$19.00	<b>\$22.04</b>	16.00%	<b>24.12%</b>	\$25.23	<b>\$25.23</b>	<b>32.81%</b>	<b>\$27.00</b>	42.10%
<b>2</b>	\$20.06	<b>\$23.27</b>	16.00%	<b>24.12%</b>	\$26.64	<b>\$26.64</b>	<b>32.81%</b>	<b>\$28.51</b>	42.10%
<b>3</b>	\$21.31	<b>\$24.72</b>	16.00%	<b>24.12%</b>	\$28.30	<b>\$28.30</b>	<b>32.81%</b>	<b>\$30.28</b>	42.10%
<b>4</b>	\$21.89	<b>\$25.39</b>	16.00%	<b>24.12%</b>	\$29.07	<b>\$29.07</b>	<b>32.81%</b>	<b>\$31.11</b>	42.10%
<b>5</b>	\$24.74	<b>\$28.70</b>	16.00%	<b>24.12%</b>	\$32.86	<b>\$32.86</b>	<b>32.81%</b>	<b>\$35.16</b>	42.10%
<b>Yrs</b>	<b>Current International</b>	<b>2010 16.00% Raise</b>	Total % Increase	<b>2011 5.00% Raise</b>	Total % Increase	<b>2012 5.00% Raise</b>	Total % Increase	<b>2013 5.00% Raise</b>	Total % Increase
<b>6</b>	\$35.42	<b>\$41.09</b>	16.00%	<b>\$43.14</b>	21.80%	<b>\$45.30</b>	27.89%	<b>\$47.56</b>	34.28%
<b>7</b>	\$37.11	<b>\$43.05</b>	16.00%	<b>\$45.20</b>	21.80%	<b>\$47.46</b>	27.89%	<b>\$49.83</b>	34.28%
<b>8</b>	\$37.86	<b>\$43.92</b>	16.00%	<b>\$46.11</b>	21.80%	<b>\$48.42</b>	27.89%	<b>\$50.84</b>	34.28%
<b>9</b>	\$39.11	<b>\$45.37</b>	16.00%	<b>\$47.64</b>	21.80%	<b>\$50.02</b>	27.89%	<b>\$52.52</b>	34.28%
<b>10</b>	\$39.88	<b>\$46.26</b>	16.00%	<b>\$48.57</b>	21.80%	<b>\$51.00</b>	27.89%	<b>\$53.55</b>	34.28%
<b>11</b>	\$40.77	<b>\$47.29</b>	16.00%	<b>\$49.66</b>	21.80%	<b>\$52.14</b>	27.89%	<b>\$54.75</b>	34.28%
<b>12</b>	\$41.78	<b>\$48.46</b>	16.00%	<b>\$50.89</b>	21.80%	<b>\$53.43</b>	27.89%	<b>\$56.10</b>	34.28%
<b>13</b>	\$42.57	<b>\$49.38</b>	16.00%	<b>\$51.85</b>	21.80%	<b>\$54.44</b>	27.89%	<b>\$57.16</b>	34.28%
<b>14</b>	\$43.14	<b>\$50.04</b>	16.00%	<b>\$52.54</b>	21.80%	<b>\$55.17</b>	27.89%	<b>\$57.93</b>	34.28%
<b>New Longevity Steps</b>									
<b>Yrs</b>	<b>Current International</b>	<b>2010 16.00% Raise</b>	Total % Increase	<b>2011 5.00% Raise</b>	Total % Increase	<b>2012 5.00% Raise</b>	Total % Increase	<b>2013 5.00% Raise</b>	Total % Increase
<b>15</b>	\$43.14	<b>\$51.04</b>	18.32%	<b>\$53.59</b>	24.23%	<b>\$56.27</b>	30.45%	<b>\$59.09</b>	36.97%
<b>16</b>	\$43.14	<b>\$52.04</b>	20.64%	<b>\$54.64</b>	26.67%	<b>\$57.38</b>	33.00%	<b>\$60.25</b>	39.65%
<b>17</b>	\$43.14	<b>\$53.04</b>	22.95%	<b>\$55.69</b>	29.10%	<b>\$58.48</b>	35.56%	<b>\$61.40</b>	42.33%
<b>18</b>	\$43.14	<b>\$54.04</b>	25.27%	<b>\$56.74</b>	31.54%	<b>\$59.58</b>	38.11%	<b>\$62.56</b>	45.02%
<b>19</b>	\$43.14	<b>\$55.04</b>	27.59%	<b>\$57.79</b>	33.97%	<b>\$60.68</b>	40.67%	<b>\$63.72</b>	47.70%
<b>20</b>	\$43.14	<b>\$56.04</b>	29.91%	<b>\$58.84</b>	36.40%	<b>\$61.79</b>	43.22%	<b>\$64.88</b>	50.38%

**NOTES:**

- Highest International Wage Rate in 2002, before bankruptcy forced cuts, was \$48.87.
- AFA has already put management on notice that we expect retroactive pay to the amendable date of the Contract, January 7, 2010.

## Compensation Comparison Chart

*This chart does not include other pay factors in the AFA United Flight Attendant Contract that affect total compensation including the Flight Attendant cost of benefits, lineholder minimum guarantees, profit sharing, pass travel, transportation (taxi) reimbursements, errors in pay, deadhead, MAC/CRAF, publicity, drug and alcohol testing.*

	United Proposal	Continental (CAL)	American (AA)	Southwest (SWA)	AFA Proposal	AFA % Higher/Lower - or Contract w/ Highest Pay
Highest base hourly rate	No Proposal	\$51	\$49.14	\$64.70	\$64.88	0.30%
International per diem	No Proposal	\$2.50	\$1.75	none	\$3.50	40%
Domestic per diem	No Proposal	\$1.85	\$1.50	\$2.15	\$3.00	39.50%
Reserve Override	No Proposal	None	None	None	\$5.00	AFA
Reserve Minimum Guarantee	No proposal	83 hours	75 hours	89 hours	90 hours	1.10%
Call Out Pay	No Proposal	Two (2) hours	Three (3) hours	Two hours thirty six minutes (2:36)	Minimum credit of five (5) hours	92%
Minimum Duty RIG	Eliminate	None	One (1) hr's flight time pay and credit for each two (2) hrs (1 for 2), with a minimum of five (5) hrs flight time pay and credit for each duty period	One (1) hr's flight time pay and credit for each one hr and forty minutes (1 for 1.6), with a minimum of three and one half (3.5) hrs flight time pay and credit for each duty period	One (1) hr's flight time pay and credit for each one and two tenths (1.2) hrs of duty time, prorated, with (1 for 1:12), with a minimum of five (5) hrs flight time pay and credit for each duty period	AFA
Minimum Trip RIG-Time Away From Home	One (1) hour's pay for each four (4) hours elapsed time (1 for 4) only when ID has pre-scheduled layover of 29 hours	One (1) hour's pay for each four (4) hours elapsed time (1 for 4) only when ID has pre-scheduled layover of 29 hours	One (1) hour's pay and credit for each three and one-half (3 1/2) hours elapsed time (1 for 3.5)	One (1) hr's pay and credit for each three and one-half (3 1/2) hrs elapsed time (1 for 3.5) if unscheduled overnight one (1) hr's pay and credit for each four and six tenths (4:36) hrs elapsed time (1 for 4.6)	One (1) hour's pay and credit for each three and one-half (3 1/2) hours elapsed time (1 for 3.5)	AFA & AA
Penalty Pay	No Proposal	None	None	None	Five (5) hours	AFA

	<b>United Proposal</b>	<b>Continental (CAL)</b>	<b>American (AA)</b>	<b>Southwest (SWA)</b>	<b>AFA Proposal</b>	<b>AFA % Higher/Lower - or Contract w/ Highest Pay</b>
<b>Vacation Pay</b>	Three hours, fifteen minutes (3:15) per day	Three hours, fifteen minutes (3:15) per day	Four hours, ten minutes (4:10) per day	Three hours, fifteen minutes (3:15) per day	Five (5) hours per day	53.90%
<b>Sick Leave Pay</b>	Sick leave and occupational pay capped at 83 hours	Sick leave and occupational pay capped at 83 hours	Sick leave and occupational pay capped at 85 hours	Sick leave and occupational pay capped at 103 hours	Full pay	AFA
<b>Holding Pay</b>	No Proposal	\$15.00 per hour paid after 30 minutes	\$15.00 per hour paid after 30 minutes	None	Full pay including premium and language	AFA
<b>Ground Pay</b>	No Proposal	None	None	None	One half (1/2) hourly rate of pay including premium and language	AFA
<b>Incentive pay</b>	None	\$5 between 75 and 110 hours	\$7.37 over 70 hours	\$5.75 over 89 hour	No Proposal	AA
<b>Galley Pay</b>	No Proposal	\$1.00	\$0.88	None	\$0.97	-3.00%
<b>Language pay</b>	No Proposal	\$2.50 for hours flown	\$1.25	None	\$2.50 incl sick leave and vacation	AFA
<b>Language Incentive Pay</b>	No Proposal	None	None	None	\$1.50 including sick leave and vacation	AFA
<b>Purser Pay</b>	No Proposal	\$2.00	Narrow Body \$2.00 Wide Body \$2.08	\$2.30	Narrow Body \$3.00 Wide Body \$4.50 Aft Purser \$4.50	95.60%
<b>Qualified Purser Pay</b>	No Proposal	Up to \$5.50 + \$2.00 override	\$3.00	None	Narrow Body \$5.00 Wide Body \$7.00 Aft Purser \$7.00	CAL
<b>Contractual Holidays &amp; Pay</b>	No Proposal	None	None	3 Contract Holidays at two (2) times rate of pay	10 Contract Holidays for hourly rate of pay times the credited flight time for the ID, divided by the number of hrs away from home, times the number of hrs away from home falling within the holiday	AFA



	<b>United Proposal</b>	<b>Continental (CAL)</b>	<b>American (AA)</b>	<b>Southwest (SWA)</b>	<b>AFA Proposal</b>	<b>AFA % Higher/Lower - or Contract w/ Highest Pay</b>
<b>Understaffing Pay</b>	No Proposal	\$50 X flight hours X # of missing crew divided equally among crew (160+seats only)	\$5.00	\$5.75	\$10.00	42.50%
<b>Reassignment Pay</b>	\$15.00/hr prorated beyond original trip or four (4) hr pay credit during severe weather	\$15.00 per hour prorated beyond original trip or four (4) hour pay credit during severe weather	None	None	Twice rate of pay including premium and language	AFA
<b>Parking</b>	No Proposal	Out-of-Base Parking \$30	None	None	\$100.00	233.33%
<b>Drafting Pay</b>	Three (3) hour pay credit	Three (3) hour pay credit	None	None	Twice rate of pay including premium and language	AFA
<b>Night Pay</b>	No Proposal	\$0.50	None	\$1.15	\$0.50	SWA
<b>Critical Coverage Pay</b>	1.5 x hourly rate of pay	None	None	None	1.5 x hourly rate of pay	AFA
<b>Extended Duty Time Pay</b>	minimum one (1) hrs pay at five (5) times hourly rate	one for one maximum 5 hours	None	None	minimum one (1) hrs pay at five (5) times hourly rate	AFA
<b>Training Pay</b>	Eliminate 3-hour min pay guarantee Paid at 2:30 hours per day 1-hour pay for home study regardless of length	Eliminate 3-hour min pay guarantee Paid at 2:30 hours per day 1-hour pay for home study regardless of length	\$9.50/hr 3 hr. min	4:45hrs/day	Greater of one (1) hr's pay and credit for each three and one-half (3 1/2) hrs elapsed time (1 for 3.5) or one (1) hr's flight time pay and credit for each one and two tenths (1.2) hrs of duty time, prorated, with (1 for 1:12), with a minimum of five (5) hrs flight time pay and credit for each duty period	5.30%

- Pay and some scheduling work rules in the Southwest Airlines contract are based on a Trip-for-Pay (TFP) basis rather than an hourly basis. Flight Attendants are credited with one (1) TFP for each leg of 243 miles or less. For each forty mile increment over 243 miles an additional one-tenth (0.1) TFP is credited. The industry standard conversion of 1.15 hours per TFP was used to represent their compensation on an hourly basis where appropriate, including rates of pay.
- This comparison does not include all carriers or all Sections of our Contract. It is intended to be an overview.

## United Section 33 – Benefits Proposal Eliminates all Existing Contractual Provisions

United most recent proposal to Section 33 Benefits eliminates all existing Contractual provisions in Section 33 and replace with: the company pays no more than 80% of aggregate cost of Medical Plan, if plans offered.

“Notify the Union in writing in advance of the effective date of such changes”

In addition to premium cost increases, deductible increases, elimination of maximum increase caps per year and quality of the health care plan, management would be free to offer, or not offer, any plan at their discretion and with no oversight.

<b>Employee Contribution: Medical PPO</b>				
	Employee Only	Employee and Child(ren)	Employee and Spouse	Employee and Family
Current Traditional (20% - 7% cap)	\$80.76	\$153.44	\$169.64	\$242.32
7% Cap - Maximum employee cost of coverage cannot exceed 20% of plan cost and also can not increase by more than 7% per year.				
AFA Proposed (10% - 7% cap)	\$40.38	\$76.77	\$84.82	\$121.16
7% Cap - Maximum employee cost of coverage cannot exceed <u>10%</u> of plan cost and also can not increase by more than 7% per year.				
Current Continental Closest Comparable (*) (20% aggregate - no cap)	\$210.92	\$285.92	\$396.07	\$471.06
Current Continental Cheapest Option (+) (20% aggregate - no cap)	\$55.00	\$59.00	\$109.00	\$114.00
No maximum employee cost of coverage. Aggregate – total cost of providing medical and dental to all covered employees.				
(*) United Healthcare (UHC) \$350 Deductible. Does not include \$48 credit for non-tobacco use or \$85 spousal surcharge. (+) Aetna EPO BYO (Build-Your-Own)				

<b>Employee Contribution: Dental</b>				
	Employee Only	Employee and Child(ren)	Employee and Spouse	Employee and Family
Current Traditional (20% - 7% cap)	\$8.84	\$19.44	\$18.56	\$29.20
AFA Proposed Traditional (10% - 7% cap)	\$4.42	\$9.77	\$9.28	\$14.60
Current DHMO	\$0.00	\$0.00	\$0.00	\$0.00
AFA Proposed DHMO	\$0.00	\$0.00	\$0.00	\$0.00
Current Continental Most Prevalent Traditional (*) (Full Cost - no cap)	\$36.03	\$72.07	\$75.67	\$117.11
Current Continental Most Prevalent DHMO (**) (Full Cost - no cap)	\$23.75	\$53.17	\$55.05	\$76.04
(*) CIGNA Dental PPO (**) Aetna DMO				

**Medical: Deductible / Out-of-Pocket Maximum / Co-Pay / Co-Insurance**

	Current / AFA Proposed	Current Continental Closest Comparable (*)	Current Continental Cheapest Option EPO BYO (+)
Annual Deductible	\$250 Individual \$500 Family	In-Network: \$350 Individual \$1,050 Family Out-of-Network: \$3,000 Individual \$9,000 Family	In-Network: \$1,000 Individual \$3,000 Family No Out-of-Network coverage
Co-Insurance	In-Network: 80% covered Out-of-Network: 60% covered	In-Network: 80% covered Out-of-Network: 60% covered	In-Network: 80% covered No Out-of-Network coverage
Primary Care Office Visit Copay	None	In-Network: \$20 (**) Out-of-Network: 60% covered	In-Network: \$15 (***) No Out-of-Network coverage
Specialist Care Office Visit Copay	None	In-Network: \$25 (***) Out-of-Network: 60% covered	In-Network: \$50 (***) No Out-of-Network coverage
Out-of-Pocket Maximum	\$2,000 Individual \$3,000 Family	In-Network: \$2,500 Individual \$5,000 Family Out-of-Network: \$6,000 Individual \$12,000 Family	In-Network (++): \$2,000 Individual \$4,000 Family No Out-of-Network coverage

(\*) United Healthcare (UHC) \$350 Deductible.

(\*\*) Does not count toward Annual Deductible or Out-of-Pocket Maximum

(\*\*\*) Counts toward Out-of-Pocket Maximum but not toward Annual Deductible

(+) Aetna EPO BYO (Build-Your-Own. ++) Includes deductible and co-pay



ASSOCIATION OF FLIGHT ATTENDANTS CWA, AFL-CIO

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## Negotiations: Forward Focus

**Contract Negotiations Update,  
January 28, 2011**

