

# 2012 Tentative Agreement Contractual Improvements

Questions and Answers – Number Two

## GOT QUESTIONS? WE HAVE ANSWERS...

Answers to many frequently asked questions are in the following Q&A section. We strongly encourage you to read through all of them to give yourself as much information as possible and share this with your flying partners.

If you have a question that we've not addressed in this mailing, we encourage you attend a United Flight Attendant Tentative Agreement Roadshow, attend a Local Council meeting and contact your Local Council office to ask your questions. By getting information and answers from your Union Leadership you can be sure the information is accurate and those who provide to you are accountable for our responses. Getting information from rumor or social media often leads to the perpetuation of false or misleading information that creates confusion. Fact check, is your source reliable? Be an informed participant, and ensure you are armed with all of the knowledge you will need when you vote in this very important vote.

### **1. Why didn't the Negotiating Committee sell off provisions of our Contract for Continental rates of pay?**

The economic components of this Tentative Agreement were negotiated in the final session of Expedited Mediation. Management came to the table willing to pay less than half of what was actually achieved at the conclusion of these negotiations. Our Negotiating Committee pushed management well beyond what they were prepared to do and reached a Tentative Agreement without trading off our benefits and working conditions to achieve higher pay rates and other economic improvements.

It was our job in the final stages of Expedited Mediation to ensure, as per your mandate, to protect and enhance our terms of employment while pushing management beyond what they were prepared to put on the table with regard to the economic components of a new Agreement.

This Tentative Agreement accomplishes that delicate balance, the smart way, centered on our steadfast position that Flight Attendants will not pay for their raises or Signing Bonus by trading off other provisions of our Contract before promptly moving on to the next round of negotiations.

When asked on numerous occasions, in many different ways, and specifically in our surveys and polls United Flight Attendants mandated that we not trade away our hard fought Contractual provisions for Continental wage rates. When asked the question in 2011:

*"I am willing to give up my current work rules, benefits and legality protections for Continental hourly rates of pay:" Over 90% of Flight Attendants stated NO.*



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### 2. **Any changes to the Reserves picking up from Open Flying?**

Nothing has changed regarding a Reserve Picking Up Open Flying in Section 10.F.

The following is the current CBA language:

#### Picking Up Open Flying

- In order to avoid drafting, a reserve may, at her/his option pick up open flying on or into scheduled days off.
- A reserve may only pick up an ID which is scheduled to return to the home domicile in time for a legal rest prior to 0700 of the next scheduled reserve day. However, with the approval of the Company, a reserve may pick up an ID which makes her/him illegal for the next scheduled reserve day or flies her/him into the next reserve day. Any assignment thereafter will have to meet all legality rules as set forth in Section 7 or 12., as applicable.

When a reserve picks up an open ID on scheduled day(s) off, there will be no restoration of minimum days off under any conditions.

### 3. **Will my Reserve minimum guarantee of 78 hours be reduce if, as a Ready Reserve, I preference minimum flying?**

The Reserve minimum guarantee is not reduced when a Ready Reserve preferences minimum flying. The Ready Reserve who preferences minimum flying is moved below other Ready Reserves who did not preference minimum flying on the Time Accrued List within their days of availability classification.

### 4. **Where in the Reserve Section will it allow Reserves to trade?**

Section 10.D.5.a. will allow a Reserve who has received an ID to trade with another Reserve who has also been assigned an ID or a Lineholder. The IDs must depart on the same day and be for the same number of days (a 3-day ID for a 3-day ID or a 4-day ID for a 4-day ID).

If a Reserve trades with a Lineholder, the credit time for the IDs cannot differ by more than 2 hours. If, through trading with a Lineholder, the Reserve picks up additional time, she/he will be considered to have opted to over 100 hours for the month.

Section 10.D.5.b. will allow a Reserve who has been assigned an ID to RDO trade that ID with a Lineholder.



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**5. Will there be a reduction in my Reserve minimum guarantee if I RDO my assigned trip to a Lineholder?**

When a Reserve trades an assigned ID for days off (RDO trade) with a Lineholder, the Reserve minimum guarantee is reduced based on the days of availability vacated (Section 10.D.5.b.). In a 30-day month, each day vacated would reduce the 78-hour Reserve guarantee by 4 hours and 20 minutes (4:20) and in a 31-day month by 4 hours and 7 minutes (4:07).

**6. Would the new Agreement give the Company the ability to move a Reserve day off after returning from an ID of 5 days or more?**

The application of Section 12.M.3. has not been modified from what the current Agreement. Section 12.M.3. guarantees that a Reserve returning from an International ID of 5 days or more receives a minimum legal rest at home of 48 hours. In the current application, if this projects the Reserve for more than 11 days off for the month, the Company may change a day off to a day of availability. The change in the Tentative Agreement reflects that a Reserve number of days off would at the minimum be 12, but that based on changes to section 10.D.1.a., a Reserve could bid and be awarded a Reserve line with up to 16 days off.

**7. How likely is the Company to build lines with more than the 12 minimum days off?**

Based on Section 10.D.1.a., the Company could, at its discretion build Reserve lines with up to 16 calendar off in a month, subject to a proportionate reduction in Reserve guarantee. This would be based on the Company's manpower planning and could be used in situation when there is an overage of Flight Attendants.

A Reserve cannot be forced into more than 12 days off a month.

**8. Why was the 1900 CLLR assignment kept at 1900 and not moved to an earlier time?**

The Company was not willing to entertain a change in the CLLR assignment time because of concerns regarding their ability to forecast manpower for the following days if Reserves were assigned earlier during the day.

**9. Will Call-in Reserves be allowed to trade an assignment that shows in their line before 1900?**

Call-in Reserves will not be able to trade or RDO their assignments before the 1900 deadline. Assignments are not final until 1900.



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### 10. How does Reserves being paid for every day of vacation works?

Section 18.K. A Reserve who has vacation in a given month is guaranteed 78 hours pay and credit for the month. The Reserve Guarantee cannot be reduced because of vacation. As an example:

03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
			R	R	R	R	R				R	R	R						R	R	R
								V	V	V	V	V	V	V	V	V	V				

This Flight Attendant has a 10-day vacation from the 11<sup>th</sup> to the 20<sup>th</sup>.

This is a 31-day month. A day of availability (R day) has a credit value of 4:07 hours.

Upon ratification a vacation day credit value would be 2:45 hours (2.75 hours expressed as a decimal).

The total vacation credit for 10 days of vacation would be 27:30 hours. If the Flight Attendant were to be assigned to 60 hours of flying during the remaining days of availability, she/he would be paid 87:30 hours for the month.

Under the same situation and using the current rules for Reserve vacation pay, the vacation credit would be 12:21 hours (4:07 hours x the 3 days that fall in the vacation period). The Reserve would be paid 78 hours (the greater of the 78 hours Reserve guarantee or 72:21 hours).

### 11. When will Crew Scheduling Recordings begin?

Section 4.AA. The Company will record telephone conversations between Flight Attendants and Crew Scheduling, including all other departments that regularly perform crew-scheduling functions. We expect the telephone recording system to be established when the Crew Scheduling moves to the Willis Tower in the spring of 2012.

### 12. When will Reserve Preferencing be implemented?

The Reserve preferencing system implementation is targeted to be within 12 months of ratification.

### 13. What improvements were made to retirement?

The higher wage rates provide increased Company direct and matching contributions to the 401(k). The signing bonus will also be subject to the Company's direct and matching contributions. The TA also provides for a Roth 401(k) option.

### 14. What changes were made to Critical Coverage?

The TA provides for Limited Critical Coverage. Lineholders who pick up open flying during Limited Critical Coverage will receive time and a half pay but will not be subject to remaining available for a 2-hour standby period.



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**15. Why a 4-year duration if we expect to reach a Single Contract Agreement sooner?**

Should the Single Contract Negotiations take longer than we would hope, the TA provides for guaranteed wage rate increases for the next 3 years following ratification.

**16. If the TA is not ratified, when would we return to regular mediation?**

If the Tentative Agreement fails to ratify, we will press the Company to return to the negotiating table as soon as possible, however, we do not control the timing. In the past, the National Mediation Board (NMB) has delayed mediation for months after a failed tentative agreement.

**17. Why did we agree for an earlier check-in for the 757?**

In trying to reach an agreement and meet some of the Company's interests, we agreed to an earlier check-in for the 757 but did not increase the maximum duty times.

**18. Does the change to section 6.A.1 means we gave up crew meals?**

The changes to Section 6.A.1. do not affect crew meals. The changes reflect the increases in Domestic and International Per Diem. The crew meal language in this Section is current Contract.

**19. Will the Operational Reliability incentive pay apply at home between trips?**

Section 7.J.2. The Operational Reliability incentive provision proposed by the Company only applies at non-domicile locations where timely replacement is not possible. The 5-hour incentive will be paid if a sufficient number of Flight Attendants required to operate the flight have agreed to waive their minimum contractual legal rest and after they have reported for duty following the abbreviated rest.

**20. Who is eligible for the Cross Over?**

The one time opportunity for the Cross Over will be offered to all United Flight Attendants regardless of whether they are currently working or not, provided that they are ready, willing and able to work.

**21. How will taxes be withheld from the Signing Bonus?**

The IRS treats an amount paid to an employee in connection with the ratification of a Collective Bargaining Agreement as taxable compensation subject to federal and state income tax and FICA withholding. Because it is characterized as "supplemental" as opposed to a "regular" wage payment, withholding using a flat 25% tax rate is normally applied.

However, United has confirmed that they will utilize a method whereby the withholding will be similar to that of a regular paycheck. In most cases, this will result in a lower amount of federal income tax withholding.



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**22. How will the Signing Bonus be treated for purposes of Company paid direct and matching contributions to our 401(k) plan?**

The Signing Bonus will be treated like regular pay for purposes of 401(k) Company paid direct and matching contributions.

**23. Will the Signing Bonus be considered as Qualifying Wages for the purpose of our Profit Sharing Program?**

Yes. The Signing Bonus will count for purposes of calculating Considered Earnings for each Flight Attendant. Since the Signing Bonus would be paid in 2012 it would count towards Profit Sharing payable in 2013.

**24. How many eligible Flight Attendants will be awarded the Early Out?**

There will be a minimum award of 1,000 eligible Flight Attendants awarded the Early Out. Early Out packages shall be awarded to the senior eligible bidders, based on system seniority.

